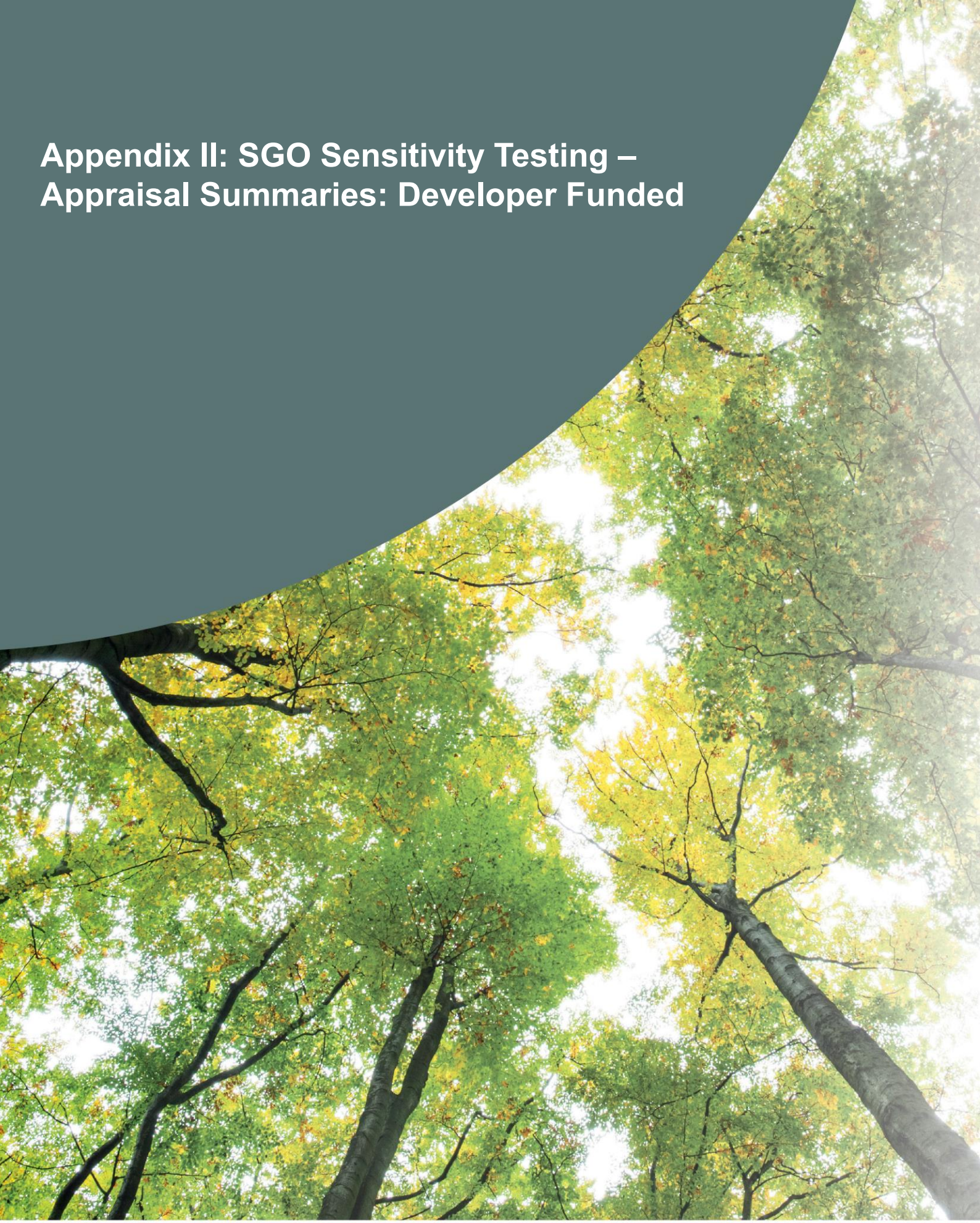
Appendix II: SGO Sensitivity Testing – Appraisal Summaries: Developer Funded



DixonSearle Partnership

Eastleigh BC - Strategic Growth Option
Base Appraisal v1 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v1 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**
OUTLAY					
ACQUISITION COSTS					
Fixed Price		80,500,000			
Fixed Price (322.00 Ha @ 250,000.00 /Hect)			80,500,000		
					80,500,000
Stamp Duty			4,016,000		
Effective Stamp Duty Rate		4.99%			
Agent Fee		1.50%	1,207,500		
Legal Fee		0.75%	603,750		
					5,827,250

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
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Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Base Appraisal v1 May 2019 Update

Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
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Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
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Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
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PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
				270,173,913
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			52,162,566	
Construction			38,910,442	
Total Finance Cost				91,073,009
TOTAL COSTS				**1,532,809,144**
PROFIT				
				17,009,469

Performance Measures

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Eastleigh BC - Strategic Growth Option
Base Appraisal v1 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000% 1,117.87 /m²	(£111,955,239) (£80,500,000)	(£81,794,593) (£80,500,000)	(£52,829,493) (£80,500,000)	(£24,995,615) (£80,500,000)	£2,190,390 (£80,500,000)	£28,455,992 (£80,500,000)	£54,008,116 (£80,500,000)	£78,932,626 (£80,500,000)	£103,250,555 (£80,500,000)	£127,114,224 (£80,500,000)	£150,645,947 (£80,500,000)	£173,701,676 (£80,500,000)	£196,380,815 (£80,500,000)	£218,592,931 (£80,500,000)	£240,672,220 (£80,500,000)
-6.000% 1,129.89 /m²	(£122,614,978) (£80,500,000)	(£91,999,353) (£80,500,000)	(£62,744,707) (£80,500,000)	(£34,570,923) (£80,500,000)	(£7,141,256) (£80,500,000)	£19,340,088 (£80,500,000)	£45,221,435 (£80,500,000)	£70,244,728 (£80,500,000)	£94,841,141 (£80,500,000)	£118,762,994 (£80,500,000)	£142,460,146 (£80,500,000)	£165,659,754 (£80,500,000)	£188,475,462 (£80,500,000)	£210,814,648 (£80,500,000)	£232,943,544 (£80,500,000)
-5.000% 1,141.91 /m²	(£133,446,686) (£80,500,000)	(£102,397,821) (£80,500,000)	(£72,805,065) (£80,500,000)	(£44,191,451) (£80,500,000)	(£16,582,780) (£80,500,000)	£10,224,016 (£80,500,000)	£36,317,747 (£80,500,000)	£61,536,128 (£80,500,000)	£86,343,280 (£80,500,000)	£110,411,765 (£80,500,000)	£134,227,438 (£80,500,000)	£157,588,958 (£80,500,000)	£180,516,237 (£80,500,000)	£203,023,184 (£80,500,000)	£225,177,229 (£80,500,000)
-4.000% 1,153.93 /m²	(£144,549,247) (£80,500,000)	(£112,998,555) (£80,500,000)	(£82,892,638) (£80,500,000)	(£53,947,437) (£80,500,000)	(£26,134,359) (£80,500,000)	£1,035,240 (£80,500,000)	£27,289,845 (£80,500,000)	£52,827,528 (£80,500,000)	£77,750,386 (£80,500,000)	£102,060,535 (£80,500,000)	£125,923,316 (£80,500,000)	£149,455,216 (£80,500,000)	£172,507,258 (£80,500,000)	£195,185,002 (£80,500,000)	£217,398,946 (£80,500,000)
-3.000% 1,165.95 /m²	(£155,823,362) (£80,500,000)	(£123,652,265) (£80,500,000)	(£93,078,346) (£80,500,000)	(£63,849,946) (£80,500,000)	(£35,709,667) (£80,500,000)	(£8,289,660) (£80,500,000)	£18,174,779 (£80,500,000)	£44,046,680 (£80,500,000)	£69,062,853 (£80,500,000)	£93,654,728 (£80,500,000)	£117,572,086 (£80,500,000)	£141,269,767 (£80,500,000)	£164,465,337 (£80,500,000)	£187,280,181 (£80,500,000)	£209,620,662 (£80,500,000)
-2.000% 1,177.97 /m²	(£167,216,334) (£80,500,000)	(£134,452,436) (£80,500,000)	(£103,455,327) (£80,500,000)	(£73,904,297) (£80,500,000)	(£45,320,722) (£80,500,000)	(£17,725,152) (£80,500,000)	£9,058,707 (£80,500,000)	£35,148,498 (£80,500,000)	£60,354,252 (£80,500,000)	£85,159,645 (£80,500,000)	£109,220,857 (£80,500,000)	£133,037,364 (£80,500,000)	£156,396,401 (£80,500,000)	£179,321,719 (£80,500,000)	£201,828,559 (£80,500,000)
-1.000% 1,189.99 /m²	(£178,968,684) (£80,500,000)	(£145,521,935) (£80,500,000)	(£114,041,870) (£80,500,000)	(£83,991,870) (£80,500,000)	(£55,065,382) (£80,500,000)	(£27,273,103) (£80,500,000)	(£119,909) (£80,500,000)	£26,123,699 (£80,500,000)	£51,645,652 (£80,500,000)	£76,568,146 (£80,500,000)	£100,869,627 (£80,500,000)	£124,732,408 (£80,500,000)	£148,264,485 (£80,500,000)	£171,312,841 (£80,500,000)	£193,989,189 (£80,500,000)
0.000% 1,202.01 /m²	(£190,917,388) (£80,500,000)	(£156,790,354) (£80,500,000)	(£124,695,581) (£80,500,000)	(£94,158,385) (£80,500,000)	(£64,956,810) (£80,500,000)	(£36,848,410) (£80,500,000)	(£9,438,064) (£80,500,000)	£17,009,469 (£80,500,000)	£42,871,924 (£80,500,000)	£67,880,977 (£80,500,000)	£92,467,627 (£80,500,000)	£116,381,178 (£80,500,000)	£140,079,388 (£80,500,000)	£163,270,920 (£80,500,000)	£186,084,899 (£80,500,000)
+1.000% 1,214.03 /m²	(£203,106,454) (£80,500,000)	(£168,143,745) (£80,500,000)	(£135,463,866) (£80,500,000)	(£104,516,761) (£80,500,000)	(£75,003,530) (£80,500,000)	(£46,452,266) (£80,500,000)	(£18,867,524) (£80,500,000)	£7,893,398 (£80,500,000)	£33,978,639 (£80,500,000)	£59,172,377 (£80,500,000)	£83,976,010 (£80,500,000)	£108,029,948 (£80,500,000)	£131,847,290 (£80,500,000)	£155,203,844 (£80,500,000)	£178,127,202 (£80,500,000)
+2.000% 1,226.05 /m²	(£215,732,207) (£80,500,000)	(£179,838,243) (£80,500,000)	(£146,497,888) (£80,500,000)	(£115,085,186) (£80,500,000)	(£85,091,102) (£80,500,000)	(£56,183,326) (£80,500,000)	(£28,411,847) (£80,500,000)	(£1,275,058) (£80,500,000)	£24,957,553 (£80,500,000)	£50,463,776 (£80,500,000)	£75,385,906 (£80,500,000)	£99,678,719 (£80,500,000)	£123,541,499 (£80,500,000)	£147,073,754 (£80,500,000)	£170,118,424 (£80,500,000)
+3.000% 1,238.07 /m²	(£228,488,106) (£80,500,000)	(£191,783,070) (£80,500,000)	(£157,757,346) (£80,500,000)	(£125,738,897) (£80,500,000)	(£95,240,245) (£80,500,000)	(£66,065,154) (£80,500,000)	(£37,987,154) (£80,500,000)	(£10,586,468) (£80,500,000)	£15,844,160 (£80,500,000)	£41,697,169 (£80,500,000)	£66,699,101 (£80,500,000)	£91,280,527 (£80,500,000)	£115,190,270 (£80,500,000)	£138,889,009 (£80,500,000)	£162,076,502 (£80,500,000)
+4.000% 1,250.09 /m²	(£241,597,796) (£80,500,000)	(£203,891,914) (£80,500,000)	(£169,079,130) (£80,500,000)	(£136,478,645) (£80,500,000)	(£105,578,195) (£80,500,000)	(£76,102,762) (£80,500,000)	(£47,583,811) (£80,500,000)	(£20,009,896) (£80,500,000)	£6,728,088 (£80,500,000)	£32,808,162 (£80,500,000)	£57,990,501 (£80,500,000)	£82,791,915 (£80,500,000)	£106,839,040 (£80,500,000)	£130,657,215 (£80,500,000)	£154,011,287 (£80,500,000)
+5.000% 1,262.11 /m²	(£254,983,104) (£80,500,000)	(£216,466,403) (£80,500,000)	(£180,716,873) (£80,500,000)	(£147,477,570) (£80,500,000)	(£116,128,502) (£80,500,000)	(£86,190,335) (£80,500,000)	(£57,304,456) (£80,500,000)	(£29,550,591) (£80,500,000)	(£2,432,416) (£80,500,000)	£23,791,406 (£80,500,000)	£49,281,901 (£80,500,000)	£74,203,667 (£80,500,000)	£98,487,810 (£80,500,000)	£122,350,591 (£80,500,000)	£145,883,024 (£80,500,000)
+6.000% 1,274.13 /m²	(£268,371,614) (£80,500,000)	(£229,179,776) (£80,500,000)	(£192,648,752) (£80,500,000)	(£158,724,338) (£80,500,000)	(£126,782,212) (£80,500,000)	(£96,325,044) (£80,500,000)	(£67,173,498) (£80,500,000)	(£39,125,898) (£80,500,000)	(£11,734,872) (£80,500,000)	£14,678,851 (£80,500,000)	£40,522,237 (£80,500,000)	£65,517,225 (£80,500,000)	£90,093,427 (£80,500,000)	£113,999,362 (£80,500,000)	£137,698,631 (£80,500,000)
+7.000% 1,286.15 /m²	(£281,760,123) (£80,500,000)	(£242,197,984) (£80,500,000)	(£204,695,098) (£80,500,000)	(£170,022,569) (£80,500,000)	(£137,496,430) (£80,500,000)	(£106,643,101) (£80,500,000)	(£77,201,994) (£80,500,000)	(£48,715,356) (£80,500,000)	(£21,152,268) (£80,500,000)	£5,562,779 (£80,500,000)	£31,637,685 (£80,500,000)	£56,808,625 (£80,500,000)	£81,607,583 (£80,500,000)	£105,648,132 (£80,500,000)	£129,467,141 (£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Base Appraisal v2 May 2019 Update

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20% Profit Private / 6% Profit AH
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Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

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ACQUISITION COSTS					
Fixed Price			96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)				96,600,000	
					96,600,000
Stamp Duty				4,821,000	
Effective Stamp Duty Rate			4.99%		
Agent Fee			1.50%	1,449,000	
Legal Fee			0.75%	724,500	
					6,994,500

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
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Education Provision			48,016,000	
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Link Road Acquisition Cost			4,400,000	
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New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				968,757,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
				270,173,913
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			67,365,912	
Construction			39,497,364	
Total Finance Cost				106,863,276
TOTAL COSTS				**1,566,766,662**
PROFIT				
				16,948,048

Performance Measures

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Eastleigh BC - Strategic Growth Option
Base Appraisal v2 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£152,888,617)	(£120,761,526)	(£90,175,122)	(£60,913,866)	(£32,671,965)	(£5,188,190)	£21,414,325	£47,439,150	£72,593,427	£97,391,614	£121,483,034	£145,322,146	£168,761,809	£191,749,335	£214,333,151
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£164,245,192)	(£131,552,143)	(£100,563,366)	(£70,981,429)	(£42,318,552)	(£14,667,017)	£12,282,669	£38,457,692	£63,884,827	£88,801,549	£113,126,496	£136,994,585	£160,594,974	£183,733,693	£206,451,207
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£175,929,571)	(£142,595,706)	(£111,151,131)	(£81,069,002)	(£52,096,346)	(£24,235,402)	£3,030,811	£29,365,087	£55,130,131	£80,120,152	£104,708,206	£128,643,355	£152,394,067	£175,679,313	£198,524,854
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£187,871,479)	(£153,855,609)	(£121,804,842)	(£91,255,162)	(£62,019,104)	(£33,810,709)	(£6,334,505)	£20,249,016	£46,267,338	£71,411,551	£96,207,979	£120,292,125	£144,131,920	£167,570,596	£190,554,991
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£199,966,658)	(£165,180,424)	(£132,563,573)	(£101,624,157)	(£72,080,662)	(£43,446,619)	(£15,807,533)	£11,122,614	£37,290,608	£62,702,951	£87,619,310	£111,936,981	£135,803,676	£159,404,595	£182,539,276
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£212,519,505)	(£176,810,777)	(£143,575,388)	(£112,194,447)	(£82,168,235)	(£53,213,700)	(£25,374,146)	£1,877,992	£28,199,778	£53,953,741	£78,938,276	£103,522,149	£127,452,447	£151,203,918	£174,486,694
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£225,227,799)	(£188,737,162)	(£154,822,601)	(£122,848,157)	(£92,335,202)	(£63,124,343)	(£34,949,453)	(£7,480,820)	£19,083,706	£45,095,526	£70,229,676	£95,024,344	£119,101,217	£142,941,693	£166,379,383
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£238,234,592)	(£200,773,586)	(£166,123,297)	(£133,581,293)	(£102,685,591)	(£73,179,894)	(£44,574,687)	(£16,948,048)	£9,960,320	£36,123,523	£61,521,075	£86,437,070	£110,747,465	£134,612,768	£158,214,216
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£251,590,056)	(£213,253,701)	(£177,700,615)	(£144,560,050)	(£113,237,762)	(£83,267,467)	(£54,331,645)	(£26,512,890)	£725,172	£27,034,469	£52,777,351	£77,756,400	£102,336,092	£126,261,539	£150,013,768
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£264,978,566)	(£225,939,109)	(£189,602,844)	(£155,789,593)	(£123,891,473)	(£93,417,745)	(£64,229,881)	(£36,088,197)	(£8,627,135)	£17,918,397	£43,923,715	£69,047,800	£93,840,709	£117,910,309	£141,751,467
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£278,367,075)	(£238,862,310)	(£201,595,565)	(£167,073,648)	(£134,601,264)	(£103,748,671)	(£74,279,126)	(£45,702,812)	(£18,088,564)	£8,797,687	£34,956,439	£60,339,200	£85,254,830	£109,557,950	£133,421,860
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£291,755,585)	(£252,164,232)	(£213,987,897)	(£178,599,028)	(£145,547,648)	(£114,281,078)	(£84,366,699)	(£55,449,590)	(£27,651,633)	(£427,648)	£25,869,159	£51,600,961	£76,574,524	£101,149,849	£125,070,630
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£305,144,095)	(£265,552,742)	(£226,664,787)	(£190,468,526)	(£156,756,585)	(£124,934,789)	(£94,502,544)	(£65,338,226)	(£37,226,941)	(£9,773,450)	£16,753,088	£42,751,903	£67,865,924	£92,656,680	£116,719,401
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£318,532,605)	(£278,941,252)	(£239,510,771)	(£202,433,310)	(£168,032,058)	(£135,625,442)	(£104,814,709)	(£75,378,359)	(£46,834,357)	(£19,229,501)	£7,635,054	£33,788,867	£59,157,324	£84,072,590	£108,368,171
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£331,921,114)	(£292,329,762)	(£252,738,409)	(£214,735,514)	(£179,505,657)	(£146,540,032)	(£115,326,598)	(£85,465,932)	(£56,567,534)	(£28,790,377)	(£1,580,468)	£24,703,850	£50,423,196	£75,392,649	£99,962,748
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v3 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v3 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS				
Fixed Price		112,070,000		
Fixed Price (322.00 Ha @ 348,043.48 /Hect)			112,070,000	
				112,070,000
Stamp Duty			5,594,500	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,681,050	
Legal Fee		0.75%	840,525	
				8,116,075

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v3 May 2019 Update

Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				969,657,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
				270,173,913
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			83,478,481	
Construction			40,084,286	
Total Finance Cost				123,562,767
TOTAL COSTS				**1,600,957,728**
PROFIT				
				51,139,114

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v3 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£195,168,855)	(£160,652,352)	(£128,170,580)	(£97,294,192)	(£67,776,417)	(£39,124,618)	(£11,461,352)	£15,557,334	£41,778,642	£67,373,287	£92,332,817	£116,871,749	£140,803,192	£164,571,984	£187,907,379
1,117.87 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
-6.000%	(£207,554,425)	(£172,177,880)	(£139,125,180)	(£107,837,564)	(£77,863,989)	(£48,903,225)	(£21,034,933)	£6,273,934	£32,665,588	£58,557,976	£83,624,217	£108,380,244	£132,451,962	£156,298,818	£179,776,683
1,129.89 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
-5.000%	(£220,230,745)	(£184,039,653)	(£150,331,745)	(£118,491,274)	(£88,023,549)	(£58,820,495)	(£30,610,240)	(£3,109,934)	£23,549,517	£49,639,887	£74,915,617	£99,808,592	£124,096,449	£147,963,513	£171,595,724
1,141.91 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
-4.000%	(£233,093,172)	(£196,006,184)	(£161,609,226)	(£129,194,038)	(£98,357,957)	(£68,875,649)	(£40,252,686)	(£12,601,867)	£14,399,760	£40,612,495	£66,195,180	£91,150,941	£115,685,368	£139,612,284	£163,381,936
1,153.93 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
-3.000%	(£246,345,658)	(£208,304,578)	(£173,085,509)	(£140,117,563)	(£108,881,698)	(£78,963,222)	(£50,021,169)	(£22,173,676)	£5,123,351	£31,500,279	£57,384,747	£82,442,341	£107,195,911	£131,261,054	£155,108,592
1,165.95 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
-2.000%	(£259,734,168)	(£220,964,941)	(£184,905,335)	(£151,298,737)	(£119,534,590)	(£89,108,348)	(£59,925,734)	(£31,748,984)	(£4,256,092)	£22,384,207	£48,470,638	£73,733,741	£98,625,998	£122,906,933	£146,772,605
1,177.97 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
-1.000%	(£273,122,677)	(£233,756,139)	(£196,856,513)	(£162,572,852)	(£130,219,390)	(£99,423,995)	(£69,974,881)	(£41,380,753)	(£13,742,383)	£13,240,675	£39,446,349	£65,015,876	£89,969,066	£114,498,267	£138,421,375
1,189.99 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
0.000%	(£286,511,187)	(£246,919,834)	(£209,071,086)	(£174,000,893)	(£141,113,439)	(£109,929,488)	(£80,062,454)	(£51,139,114)	(£23,312,420)	£3,972,767	£30,334,970	£56,211,517	£81,260,465	£106,011,579	£130,070,146
1,202.01 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
+1.000%	(£299,899,697)	(£260,308,344)	(£221,699,137)	(£185,771,018)	(£152,265,728)	(£120,577,906)	(£90,193,147)	(£61,033,646)	(£32,887,728)	(£5,402,407)	£21,218,898	£47,301,390	£72,551,865	£97,443,404	£121,717,418
1,214.03 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
+2.000%	(£313,288,207)	(£273,696,854)	(£234,438,762)	(£197,719,722)	(£163,539,843)	(£131,249,905)	(£100,490,033)	(£71,074,114)	(£42,508,820)	(£14,882,898)	£12,080,620	£38,280,202	£63,835,940	£88,787,190	£113,311,167
1,226.05 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
+3.000%	(£326,676,716)	(£287,085,364)	(£247,506,805)	(£209,854,815)	(£174,924,011)	(£142,112,171)	(£110,977,279)	(£81,161,687)	(£52,257,058)	(£24,451,164)	£2,821,228	£29,169,660	£55,037,344	£80,078,590	£104,827,247
1,238.07 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
+4.000%	(£340,065,226)	(£300,473,873)	(£260,882,521)	(£222,433,333)	(£186,639,530)	(£153,232,720)	(£121,621,221)	(£91,280,756)	(£62,141,990)	(£34,026,472)	(£6,548,722)	£20,053,589	£46,132,141	£71,369,989	£96,260,810
1,250.09 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
+5.000%	(£353,453,736)	(£313,862,383)	(£274,271,031)	(£235,137,596)	(£198,585,404)	(£164,506,835)	(£132,283,231)	(£101,560,326)	(£72,173,346)	(£43,638,831)	(£16,023,414)	£10,920,566	£37,114,056	£62,656,005	£87,605,314
1,262.11 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
+6.000%	(£366,842,246)	(£327,250,893)	(£287,659,540)	(£248,119,809)	(£210,653,081)	(£175,854,505)	(£143,116,563)	(£112,027,837)	(£82,260,919)	(£53,375,095)	(£25,589,908)	£1,668,408	£28,004,351	£53,862,588	£78,896,714
1,274.13 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)
+7.000%	(£380,230,755)	(£340,639,403)	(£301,048,050)	(£261,456,697)	(£223,167,529)	(£187,516,515)	(£154,203,921)	(£122,664,537)	(£92,370,304)	(£63,250,334)	(£35,165,215)	(£7,695,037)	£18,888,279	£44,962,337	£70,188,114
1,286.15 /m²	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)	(£112,070,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v4 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v4 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs			5.85%	1,006,059	
Effective Purchaser's Costs Rate			5.85%		1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**
OUTLAY					
ACQUISITION COSTS					
Fixed Price			80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)				80,500,000	
					80,500,000
Stamp Duty				4,016,000	
Effective Stamp Duty Rate			4.99%		
Agent Fee			1.50%	1,207,500	
Legal Fee			0.75%	603,750	
					5,827,250

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		17.50%	217,827,186	
				239,055,744
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			52,162,566	
Construction			38,910,442	
Total Finance Cost				91,073,009
TOTAL COSTS				**1,501,690,975**
PROFIT				
				48,127,639

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v4 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£83,741,401)	(£53,165,851)	(£23,785,846)	£4,462,936	£32,063,846	£58,744,352	£84,711,381	£110,050,795	£134,783,629	£159,062,203	£183,008,830	£206,479,463	£229,573,507	£252,200,528	£274,694,721
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£94,401,140)	(£63,370,611)	(£33,701,060)	(£5,112,371)	£22,732,200	£49,628,448	£75,924,700	£101,362,898	£126,374,215	£150,710,973	£174,823,029	£198,437,542	£221,668,154	£244,422,245	£266,966,045
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£105,232,848)	(£73,769,079)	(£43,761,418)	(£14,732,900)	£13,290,676	£40,512,377	£67,021,012	£92,654,297	£117,876,354	£142,359,743	£166,590,321	£190,366,746	£213,708,929	£236,630,780	£259,199,730
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£116,335,409)	(£84,369,812)	(£53,848,991)	(£24,488,886)	£3,739,097	£31,323,601	£57,993,110	£83,945,697	£109,283,460	£134,008,514	£158,286,199	£182,233,004	£205,699,950	£228,792,599	£251,421,446
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£127,609,524)	(£95,023,523)	(£64,034,699)	(£34,391,394)	(£5,836,211)	£21,998,700	£48,878,044	£75,164,849	£100,595,926	£125,602,706	£149,934,969	£174,047,555	£197,658,029	£220,887,777	£243,643,163
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£139,002,497)	(£105,823,694)	(£74,411,680)	(£44,445,746)	(£15,447,266)	£12,563,209	£39,761,972	£66,266,668	£91,887,326	£117,107,624	£141,583,740	£165,815,151	£189,589,093	£212,929,316	£235,851,060
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£150,754,846)	(£116,893,193)	(£84,998,223)	(£54,533,319)	(£25,191,926)	£3,015,257	£30,583,356	£57,241,868	£83,178,726	£108,516,125	£133,232,510	£157,510,195	£181,457,177	£204,920,438	£228,011,690
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£162,703,550)	(£128,161,612)	(£95,651,934)	(£64,699,834)	(£35,083,354)	(£6,560,050)	£21,265,201	£48,127,639	£74,404,998	£99,828,955	£124,830,510	£149,158,965	£173,272,080	£196,878,516	£220,107,400
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£174,892,616)	(£139,515,002)	(£106,420,219)	(£75,058,210)	(£45,130,074)	(£16,163,906)	£11,835,741	£39,011,567	£65,511,713	£91,120,355	£116,338,893	£140,807,736	£165,039,982	£188,811,441	£212,149,703
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£187,518,369)	(£151,209,501)	(£117,454,241)	(£85,626,635)	(£55,217,646)	(£25,894,966)	£2,291,418	£29,843,111	£56,490,627	£82,411,755	£107,748,789	£132,456,506	£156,734,191	£180,681,351	£204,140,925
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£200,274,268)	(£163,154,328)	(£128,713,699)	(£96,280,345)	(£65,366,789)	(£35,776,794)	(£7,283,889)	£20,531,702	£47,377,234	£73,645,147	£99,061,984	£124,058,314	£148,382,962	£172,496,606	£196,099,003
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£213,383,958)	(£175,263,172)	(£140,035,483)	(£107,020,093)	(£75,704,739)	(£45,814,401)	(£16,880,546)	£11,108,273	£38,261,162	£64,756,141	£90,353,384	£115,569,702	£140,031,732	£164,264,812	£188,033,788
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£226,769,266)	(£187,837,661)	(£151,673,226)	(£118,019,018)	(£86,255,046)	(£55,901,974)	(£26,601,191)	£1,567,579	£29,100,658	£55,739,385	£81,644,784	£106,981,454	£131,680,502	£155,958,188	£179,905,525
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£240,157,776)	(£200,551,034)	(£163,605,105)	(£129,265,786)	(£96,908,757)	(£66,036,684)	(£36,470,233)	(£8,007,729)	£19,798,202	£46,626,829	£72,885,120	£98,295,013	£123,286,119	£147,606,958	£171,721,131
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£253,546,285)	(£213,569,241)	(£175,651,451)	(£140,564,018)	(£107,622,974)	(£76,354,740)	(£46,498,729)	(£17,597,187)	£10,380,806	£37,510,758	£64,000,568	£89,586,413	£114,800,275	£139,255,728	£163,489,642
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v5 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v5 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS

Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v5 May 2019 Update

Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				968,757,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		17.50%	217,827,186	
				239,055,744
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			67,365,912	
Construction			39,497,364	
Total Finance Cost				106,863,276
TOTAL COSTS				**1,535,648,493**
PROFIT				
				14,170,121

Performance Measures

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Eastleigh BC - Strategic Growth Option
Base Appraisal v5 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£124,674,779)	(£92,132,783)	(£61,131,475)	(£31,455,314)	(£2,798,509)	£25,100,171	£52,117,590	£78,557,319	£104,126,501	£129,339,592	£153,845,916	£178,099,933	£201,954,501	£225,356,931	£248,355,652
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£136,031,354)	(£102,923,401)	(£71,519,719)	(£41,522,878)	(£12,445,096)	£15,621,343	£42,985,934	£69,575,861	£95,417,901	£120,749,528	£145,489,379	£169,772,372	£193,787,666	£217,341,290	£240,473,708
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£147,715,733)	(£113,966,964)	(£82,107,484)	(£51,610,451)	(£22,222,890)	£6,052,959	£33,734,076	£60,483,257	£86,663,205	£112,068,130	£137,071,089	£161,421,142	£185,586,759	£209,286,909	£232,547,355
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£159,657,642)	(£125,226,867)	(£92,761,195)	(£61,796,611)	(£32,145,648)	(£3,522,349)	£24,368,760	£51,367,185	£77,800,412	£103,359,530	£128,570,862	£153,069,913	£177,324,612	£201,178,192	£224,577,491
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£171,752,820)	(£136,551,682)	(£103,519,926)	(£72,165,606)	(£42,207,206)	(£13,158,259)	£14,895,732	£42,240,784	£68,823,682	£94,650,930	£119,982,193	£144,714,768	£168,996,368	£193,012,191	£216,561,777
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£184,305,667)	(£148,182,034)	(£114,531,741)	(£82,735,895)	(£52,294,779)	(£22,925,340)	£5,329,119	£32,996,161	£59,732,852	£85,901,719	£111,301,159	£136,299,936	£160,645,139	£184,811,514	£208,509,195
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£197,013,961)	(£160,108,419)	(£125,778,954)	(£93,389,606)	(£62,461,746)	(£32,835,982)	(£4,246,188)	£23,637,350	£50,616,780	£77,043,505	£102,592,558	£127,802,131	£152,293,909	£176,549,290	£200,401,884
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£210,020,754)	(£172,144,843)	(£137,079,650)	(£104,122,742)	(£72,812,135)	(£42,891,534)	(£13,871,422)	£14,170,121	£41,493,393	£68,071,502	£93,883,958	£119,214,857	£143,940,157	£168,220,365	£192,236,717
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£223,376,218)	(£184,624,958)	(£148,656,968)	(£115,101,498)	(£83,364,306)	(£52,979,106)	(£23,628,380)	£4,605,280	£32,258,246	£58,982,447	£85,140,234	£110,534,187	£135,528,784	£159,869,135	£184,036,269
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£236,764,728)	(£197,310,366)	(£160,559,197)	(£126,331,041)	(£94,018,017)	(£63,129,385)	(£33,526,617)	(£4,970,028)	£22,905,939	£49,866,375	£76,286,597	£101,825,587	£127,033,401	£151,517,905	£175,773,968
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£250,153,237)	(£210,233,567)	(£172,551,918)	(£137,615,097)	(£104,727,808)	(£73,460,310)	(£43,575,862)	(£14,584,643)	£13,444,510	£40,745,665	£67,319,322	£93,116,987	£118,447,522	£143,165,546	£167,444,361
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£263,541,747)	(£223,535,490)	(£184,944,250)	(£149,140,477)	(£115,674,192)	(£83,992,718)	(£53,663,434)	(£24,331,420)	£3,881,440	£31,520,331	£58,232,042	£84,378,748	£109,767,216	£134,757,445	£159,093,131
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£276,930,257)	(£236,924,000)	(£197,621,140)	(£161,009,974)	(£126,883,129)	(£94,646,428)	(£63,799,279)	(£34,220,056)	(£5,693,867)	£22,174,529	£49,115,971	£75,529,690	£101,058,616	£126,264,276	£150,741,902
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£290,318,767)	(£250,312,509)	(£210,467,124)	(£172,974,759)	(£138,158,602)	(£105,337,081)	(£74,111,444)	(£44,260,189)	(£15,301,283)	£12,718,478	£39,997,937	£66,566,654	£92,350,016	£117,680,187	£142,390,672
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£303,707,276)	(£263,701,019)	(£223,694,762)	(£185,276,962)	(£149,632,201)	(£116,251,671)	(£84,623,333)	(£54,347,762)	(£25,034,460)	£3,157,601	£30,782,415	£57,481,637	£83,615,888	£109,000,245	£133,985,249
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v6 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v6 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
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Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
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New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				969,657,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		17.50%	217,827,186	
				239,055,744
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			84,143,734	
Construction			40,084,286	
Total Finance Cost				124,228,020
TOTAL COSTS				**1,571,180,486**
PROFIT				
				21,361,872

Performance Measures

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Eastleigh BC - Strategic Growth Option
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Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£168,638,856)	(£133,595,282)	(£100,622,510)	(£69,273,002)	(£39,284,338)	(£10,162,350)	£17,942,128	£45,430,845	£72,088,470	£98,154,345	£123,540,333	£148,539,115	£172,907,316	£197,112,382	£220,888,864
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£181,092,964)	(£145,168,314)	(£111,613,282)	(£79,845,156)	(£49,371,911)	(£19,962,338)	£8,366,820	£36,128,776	£62,972,398	£89,321,531	£114,831,733	£140,034,100	£164,556,086	£188,825,324	£212,747,758
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£193,775,741)	(£157,062,511)	(£122,844,209)	(£90,498,866)	(£59,558,522)	(£29,899,902)	(£1,210,429)	£26,725,957	£53,856,326	£80,385,675	£106,123,133	£131,448,087	£156,195,130	£180,482,542	£204,561,593
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£206,686,618)	(£169,050,204)	(£134,130,729)	(£101,225,390)	(£69,919,531)	(£39,968,666)	(£10,872,061)	£17,218,288	£44,688,176	£71,338,065	£97,391,142	£122,773,362	£147,767,962	£172,131,312	£196,337,239
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£219,983,170)	(£181,415,501)	(£145,653,347)	(£112,184,574)	(£80,473,567)	(£50,056,239)	(£20,662,105)	£7,642,981	£35,393,097	£62,221,993	£88,563,205	£114,064,762	£139,265,369	£163,780,082	£188,049,724
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£233,371,680)	(£194,089,146)	(£157,513,288)	(£123,396,297)	(£91,127,278)	(£60,223,658)	(£30,590,236)	(£1,932,326)	£25,996,546	£53,105,922	£79,631,331	£105,356,162	£130,680,398	£155,420,519	£179,706,538
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£246,760,189)	(£206,923,672)	(£169,475,031)	(£134,673,228)	(£101,832,896)	(£70,566,060)	(£40,652,994)	(£11,583,618)	£16,494,449	£43,945,507	£70,587,660	£96,627,940	£122,006,391	£146,996,810	£171,355,308
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£260,148,699)	(£220,142,442)	(£181,753,396)	(£146,146,534)	(£112,762,053)	(£81,101,978)	(£50,740,567)	(£21,361,872)	£6,919,142	£34,657,418	£61,471,588	£87,804,880	£113,297,791	£138,496,639	£163,004,078
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£273,537,209)	(£233,530,952)	(£194,408,438)	(£157,964,066)	(£123,948,384)	(£91,755,689)	(£60,891,980)	(£31,280,570)	(£2,656,166)	£25,267,136	£52,355,517	£78,876,987	£104,589,191	£129,912,708	£154,645,908
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£286,925,719)	(£246,919,461)	(£207,179,818)	(£169,912,852)	(£135,222,499)	(£102,442,350)	(£71,217,014)	(£41,337,322)	(£12,296,781)	£15,769,979	£43,202,839	£69,837,255	£95,864,737	£121,239,420	£146,225,658
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£300,314,228)	(£260,307,971)	(£220,303,518)	(£182,110,183)	(£146,647,486)	(£113,341,820)	(£81,732,935)	(£51,424,894)	(£22,064,834)	£6,195,302	£33,921,739	£60,721,184	£87,046,555	£112,530,819	£137,727,908
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£313,702,738)	(£273,696,481)	(£233,690,224)	(£194,727,729)	(£158,414,844)	(£124,500,471)	(£92,384,100)	(£61,561,875)	(£31,970,905)	(£3,380,005)	£24,537,725	£51,605,112	£78,122,643	£103,822,219	£129,145,019
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£327,091,248)	(£287,084,991)	(£247,078,733)	(£207,452,809)	(£170,363,548)	(£135,774,586)	(£103,057,960)	(£71,868,147)	(£42,021,649)	(£13,009,943)	£15,044,368	£42,459,827	£69,086,525	£95,101,534	£120,472,448
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£340,479,758)	(£300,473,500)	(£260,467,243)	(£220,486,608)	(£182,481,549)	(£147,156,175)	(£113,925,647)	(£82,365,821)	(£52,109,222)	(£22,767,875)	£5,471,463	£33,186,060	£59,970,779	£86,288,230	£111,763,848
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£353,868,267)	(£313,862,010)	(£273,855,753)	(£233,849,496)	(£195,047,021)	(£158,868,909)	(£125,052,559)	(£93,012,511)	(£62,232,421)	(£32,663,319)	(£4,103,844)	£23,806,789	£50,854,707	£77,368,299	£103,055,248
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
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Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

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NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**
OUTLAY					
ACQUISITION COSTS					
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Fixed Price (322.00 Ha @ 250,000.00 /Hect)			80,500,000		
					80,500,000
Stamp Duty			4,016,000		
Effective Stamp Duty Rate		4.99%			
Agent Fee		1.50%	1,207,500		
Legal Fee		0.75%	603,750		
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CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
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	m²	**Build Rate m²**	**Cost**
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New Forest Warden			3,900,000	
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Community Facilities			3,000,000	
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PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		15.00%	186,709,017	
				207,937,574
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			52,162,566	
Construction			38,910,442	
Total Finance Cost				91,073,009
TOTAL COSTS				**1,470,572,806**
PROFIT				
				79,245,808

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v7 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000% 1,117.87 /m²	(£55,527,563) (£80,500,000)	(£24,537,109) (£80,500,000)	£5,257,801 (£80,500,000)	£33,921,487 (£80,500,000)	£61,937,301 (£80,500,000)	£89,032,713 (£80,500,000)	£115,414,646 (£80,500,000)	£141,168,965 (£80,500,000)	£166,316,703 (£80,500,000)	£191,010,181 (£80,500,000)	£215,371,713 (£80,500,000)	£239,257,251 (£80,500,000)	£262,766,199 (£80,500,000)	£285,808,124 (£80,500,000)	£308,717,222 (£80,500,000)
-6.000% 1,129.89 /m²	(£66,187,302) (£80,500,000)	(£34,741,868) (£80,500,000)	(£4,657,413) (£80,500,000)	£24,346,180 (£80,500,000)	£52,605,656 (£80,500,000)	£79,916,809 (£80,500,000)	£106,627,965 (£80,500,000)	£132,481,067 (£80,500,000)	£157,907,289 (£80,500,000)	£182,658,951 (£80,500,000)	£207,185,912 (£80,500,000)	£231,215,329 (£80,500,000)	£254,860,846 (£80,500,000)	£278,029,841 (£80,500,000)	£300,988,546 (£80,500,000)
-5.000% 1,141.91 /m²	(£77,019,010) (£80,500,000)	(£45,140,337) (£80,500,000)	(£14,717,771) (£80,500,000)	£14,725,652 (£80,500,000)	£43,164,132 (£80,500,000)	£70,800,737 (£80,500,000)	£97,724,277 (£80,500,000)	£123,772,467 (£80,500,000)	£149,409,428 (£80,500,000)	£174,307,722 (£80,500,000)	£198,953,204 (£80,500,000)	£223,144,533 (£80,500,000)	£246,901,621 (£80,500,000)	£270,238,377 (£80,500,000)	£293,222,231 (£80,500,000)
-4.000% 1,153.93 /m²	(£88,121,571) (£80,500,000)	(£55,741,070) (£80,500,000)	(£24,805,344) (£80,500,000)	£4,969,666 (£80,500,000)	£33,612,553 (£80,500,000)	£61,611,961 (£80,500,000)	£88,696,375 (£80,500,000)	£115,063,867 (£80,500,000)	£140,816,534 (£80,500,000)	£165,956,492 (£80,500,000)	£190,649,082 (£80,500,000)	£215,010,791 (£80,500,000)	£238,892,642 (£80,500,000)	£262,400,195 (£80,500,000)	£285,443,947 (£80,500,000)
-3.000% 1,165.95 /m²	(£99,395,686) (£80,500,000)	(£66,394,780) (£80,500,000)	(£34,991,052) (£80,500,000)	(£4,932,843) (£80,500,000)	£24,037,245 (£80,500,000)	£52,287,061 (£80,500,000)	£79,581,308 (£80,500,000)	£106,283,019 (£80,500,000)	£132,129,000 (£80,500,000)	£157,550,685 (£80,500,000)	£182,297,852 (£80,500,000)	£206,825,342 (£80,500,000)	£230,850,721 (£80,500,000)	£254,495,373 (£80,500,000)	£277,665,664 (£80,500,000)
-2.000% 1,177.97 /m²	(£110,788,659) (£80,500,000)	(£77,194,951) (£80,500,000)	(£45,368,034) (£80,500,000)	(£14,987,194) (£80,500,000)	£14,426,190 (£80,500,000)	£42,851,569 (£80,500,000)	£70,465,237 (£80,500,000)	£97,384,837 (£80,500,000)	£123,420,400 (£80,500,000)	£149,055,602 (£80,500,000)	£173,946,622 (£80,500,000)	£198,592,939 (£80,500,000)	£222,781,785 (£80,500,000)	£246,536,912 (£80,500,000)	£269,873,560 (£80,500,000)
-1.000% 1,189.99 /m²	(£122,541,008) (£80,500,000)	(£88,264,450) (£80,500,000)	(£55,954,577) (£80,500,000)	(£25,074,767) (£80,500,000)	£4,681,530 (£80,500,000)	£33,303,618 (£80,500,000)	£61,286,621 (£80,500,000)	£88,360,038 (£80,500,000)	£114,711,800 (£80,500,000)	£140,464,103 (£80,500,000)	£165,595,393 (£80,500,000)	£190,287,983 (£80,500,000)	£214,649,869 (£80,500,000)	£238,528,034 (£80,500,000)	£262,034,191 (£80,500,000)
0.000% 1,202.01 /m²	(£134,489,712) (£80,500,000)	(£99,532,869) (£80,500,000)	(£66,608,287) (£80,500,000)	(£35,241,282) (£80,500,000)	(£5,209,898) (£80,500,000)	£23,728,310 (£80,500,000)	£51,968,466 (£80,500,000)	£79,245,808 (£80,500,000)	£105,938,072 (£80,500,000)	£131,776,934 (£80,500,000)	£157,193,393 (£80,500,000)	£181,936,753 (£80,500,000)	£206,464,772 (£80,500,000)	£230,486,113 (£80,500,000)	£254,129,901 (£80,500,000)
+1.000% 1,214.03 /m²	(£146,678,778) (£80,500,000)	(£110,886,260) (£80,500,000)	(£77,376,572) (£80,500,000)	(£45,599,658) (£80,500,000)	(£15,256,618) (£80,500,000)	£14,124,454 (£80,500,000)	£42,539,006 (£80,500,000)	£70,129,737 (£80,500,000)	£97,044,787 (£80,500,000)	£123,068,333 (£80,500,000)	£148,701,776 (£80,500,000)	£173,585,523 (£80,500,000)	£198,232,673 (£80,500,000)	£222,419,037 (£80,500,000)	£246,172,204 (£80,500,000)
+2.000% 1,226.05 /m²	(£159,304,531) (£80,500,000)	(£122,580,759) (£80,500,000)	(£88,410,594) (£80,500,000)	(£56,168,083) (£80,500,000)	(£25,344,190) (£80,500,000)	£4,393,395 (£80,500,000)	£32,994,683 (£80,500,000)	£60,961,280 (£80,500,000)	£88,023,701 (£80,500,000)	£114,359,733 (£80,500,000)	£140,111,672 (£80,500,000)	£165,234,294 (£80,500,000)	£189,926,883 (£80,500,000)	£214,288,947 (£80,500,000)	£238,163,426 (£80,500,000)
+3.000% 1,238.07 /m²	(£172,060,430) (£80,500,000)	(£134,525,585) (£80,500,000)	(£99,670,052) (£80,500,000)	(£66,821,794) (£80,500,000)	(£35,493,333) (£80,500,000)	(£5,488,433) (£80,500,000)	£23,419,375 (£80,500,000)	£51,649,871 (£80,500,000)	£78,910,308 (£80,500,000)	£105,593,126 (£80,500,000)	£131,424,867 (£80,500,000)	£156,836,102 (£80,500,000)	£181,575,654 (£80,500,000)	£206,104,202 (£80,500,000)	£230,121,504 (£80,500,000)
+4.000% 1,250.09 /m²	(£185,170,120) (£80,500,000)	(£146,634,429) (£80,500,000)	(£110,991,836) (£80,500,000)	(£77,561,542) (£80,500,000)	(£45,831,283) (£80,500,000)	(£15,526,041) (£80,500,000)	£13,822,719 (£80,500,000)	£42,226,443 (£80,500,000)	£69,794,236 (£80,500,000)	£96,704,119 (£80,500,000)	£122,716,267 (£80,500,000)	£148,347,490 (£80,500,000)	£173,224,424 (£80,500,000)	£197,872,408 (£80,500,000)	£222,056,289 (£80,500,000)
+5.000% 1,262.11 /m²	(£198,555,428) (£80,500,000)	(£159,208,918) (£80,500,000)	(£122,629,579) (£80,500,000)	(£88,560,467) (£80,500,000)	(£56,381,590) (£80,500,000)	(£25,613,614) (£80,500,000)	£4,102,074 (£80,500,000)	£32,685,748 (£80,500,000)	£60,633,732 (£80,500,000)	£87,687,363 (£80,500,000)	£114,007,666 (£80,500,000)	£139,759,241 (£80,500,000)	£164,873,194 (£80,500,000)	£189,565,784 (£80,500,000)	£213,928,025 (£80,500,000)
+6.000% 1,274.13 /m²	(£211,943,938) (£80,500,000)	(£171,922,292) (£80,500,000)	(£134,561,458) (£80,500,000)	(£99,807,235) (£80,500,000)	(£67,035,301) (£80,500,000)	(£35,748,323) (£80,500,000)	(£5,766,968) (£80,500,000)	£23,110,441 (£80,500,000)	£51,331,276 (£80,500,000)	£78,574,808 (£80,500,000)	£105,248,003 (£80,500,000)	£131,072,800 (£80,500,000)	£156,478,811 (£80,500,000)	£181,214,554 (£80,500,000)	£205,743,632 (£80,500,000)
+7.000% 1,286.15 /m²	(£225,332,447) (£80,500,000)	(£184,940,499) (£80,500,000)	(£146,607,804) (£80,500,000)	(£111,105,466) (£80,500,000)	(£77,749,518) (£80,500,000)	(£46,066,380) (£80,500,000)	(£15,795,464) (£80,500,000)	£13,520,983 (£80,500,000)	£41,913,879 (£80,500,000)	£69,458,736 (£80,500,000)	£96,363,451 (£80,500,000)	£122,364,200 (£80,500,000)	£147,992,967 (£80,500,000)	£172,863,325 (£80,500,000)	£197,512,143 (£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v8 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v8 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS

Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v8 May 2019 Update

Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				968,757,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		15.00%	186,709,017	
				207,937,574
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			67,365,912	
Construction			39,497,364	
Total Finance Cost				106,863,276
TOTAL COSTS				**1,504,530,323**
PROFIT				
				45,288,291

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v8 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000% 1,117.87 /m²	(£96,460,941) (£96,600,000)	(£63,504,041) (£96,600,000)	(£32,087,828) (£96,600,000)	(£1,996,763) (£96,600,000)	£27,074,947 (£96,600,000)	£55,388,531 (£96,600,000)	£82,820,855 (£96,600,000)	£109,675,489 (£96,600,000)	£135,659,575 (£96,600,000)	£161,287,570 (£96,600,000)	£186,208,799 (£96,600,000)	£210,877,721 (£96,600,000)	£235,147,193 (£96,600,000)	£258,964,528 (£96,600,000)	£282,378,152 (£96,600,000)
-6.000% 1,129.89 /m²	(£107,817,516) (£96,600,000)	(£74,294,658) (£96,600,000)	(£42,476,072) (£96,600,000)	(£12,064,327) (£96,600,000)	£17,428,360 (£96,600,000)	£45,909,704 (£96,600,000)	£73,689,199 (£96,600,000)	£100,694,031 (£96,600,000)	£126,950,975 (£96,600,000)	£152,697,506 (£96,600,000)	£177,852,262 (£96,600,000)	£202,550,159 (£96,600,000)	£226,980,358 (£96,600,000)	£250,948,886 (£96,600,000)	£274,496,209 (£96,600,000)
-5.000% 1,141.91 /m²	(£119,501,895) (£96,600,000)	(£85,338,221) (£96,600,000)	(£53,063,837) (£96,600,000)	(£22,151,899) (£96,600,000)	£7,650,566 (£96,600,000)	£36,341,319 (£96,600,000)	£64,437,341 (£96,600,000)	£91,601,426 (£96,600,000)	£118,196,279 (£96,600,000)	£144,016,108 (£96,600,000)	£169,433,972 (£96,600,000)	£194,198,930 (£96,600,000)	£218,779,450 (£96,600,000)	£242,894,506 (£96,600,000)	£266,569,856 (£96,600,000)
-4.000% 1,153.93 /m²	(£131,443,804) (£96,600,000)	(£96,598,124) (£96,600,000)	(£63,717,548) (£96,600,000)	(£32,338,059) (£96,600,000)	(£2,272,192) (£96,600,000)	£26,766,012 (£96,600,000)	£55,072,025 (£96,600,000)	£82,485,354 (£96,600,000)	£109,333,486 (£96,600,000)	£135,307,508 (£96,600,000)	£160,933,745 (£96,600,000)	£185,847,700 (£96,600,000)	£210,517,303 (£96,600,000)	£234,785,789 (£96,600,000)	£258,599,992 (£96,600,000)
-3.000% 1,165.95 /m²	(£143,538,982) (£96,600,000)	(£107,922,939) (£96,600,000)	(£74,476,279) (£96,600,000)	(£42,707,054) (£96,600,000)	(£12,333,750) (£96,600,000)	£17,130,102 (£96,600,000)	£45,598,997 (£96,600,000)	£73,358,953 (£96,600,000)	£100,356,756 (£96,600,000)	£126,598,908 (£96,600,000)	£152,345,075 (£96,600,000)	£177,492,556 (£96,600,000)	£202,189,060 (£96,600,000)	£226,619,788 (£96,600,000)	£250,584,278 (£96,600,000)
-2.000% 1,177.97 /m²	(£156,091,829) (£96,600,000)	(£119,553,292) (£96,600,000)	(£85,488,094) (£96,600,000)	(£53,277,344) (£96,600,000)	(£22,421,323) (£96,600,000)	£7,363,020 (£96,600,000)	£36,032,384 (£96,600,000)	£64,114,331 (£96,600,000)	£91,265,926 (£96,600,000)	£117,849,698 (£96,600,000)	£143,664,042 (£96,600,000)	£169,077,724 (£96,600,000)	£193,837,831 (£96,600,000)	£218,419,110 (£96,600,000)	£242,531,696 (£96,600,000)
-1.000% 1,189.99 /m²	(£168,800,123) (£96,600,000)	(£131,479,677) (£96,600,000)	(£96,735,307) (£96,600,000)	(£63,931,054) (£96,600,000)	(£32,588,290) (£96,600,000)	(£2,547,622) (£96,600,000)	£26,457,077 (£96,600,000)	£54,755,519 (£96,600,000)	£82,149,854 (£96,600,000)	£108,991,483 (£96,600,000)	£134,955,441 (£96,600,000)	£160,579,919 (£96,600,000)	£185,486,601 (£96,600,000)	£210,156,886 (£96,600,000)	£234,424,385 (£96,600,000)
0.000% 1,202.01 /m²	(£181,806,916) (£96,600,000)	(£143,516,101) (£96,600,000)	(£108,036,003) (£96,600,000)	(£74,664,191) (£96,600,000)	(£42,938,679) (£96,600,000)	(£12,603,173) (£96,600,000)	£16,831,843 (£96,600,000)	£45,288,291 (£96,600,000)	£73,026,467 (£96,600,000)	£100,019,480 (£96,600,000)	£126,246,841 (£96,600,000)	£151,992,645 (£96,600,000)	£177,132,849 (£96,600,000)	£201,827,961 (£96,600,000)	£226,259,218 (£96,600,000)
+1.000% 1,214.03 /m²	(£195,162,380) (£96,600,000)	(£155,996,216) (£96,600,000)	(£119,613,321) (£96,600,000)	(£85,642,947) (£96,600,000)	(£53,490,851) (£96,600,000)	(£22,690,746) (£96,600,000)	£7,074,885 (£96,600,000)	£35,723,449 (£96,600,000)	£63,791,320 (£96,600,000)	£90,930,425 (£96,600,000)	£117,503,117 (£96,600,000)	£143,311,975 (£96,600,000)	£168,721,476 (£96,600,000)	£193,476,731 (£96,600,000)	£218,058,770 (£96,600,000)
+2.000% 1,226.05 /m²	(£208,550,890) (£96,600,000)	(£168,681,624) (£96,600,000)	(£131,515,550) (£96,600,000)	(£96,872,490) (£96,600,000)	(£64,144,561) (£96,600,000)	(£32,841,024) (£96,600,000)	(£2,823,352) (£96,600,000)	£26,148,142 (£96,600,000)	£54,439,013 (£96,600,000)	£81,814,354 (£96,600,000)	£108,649,480 (£96,600,000)	£134,603,375 (£96,600,000)	£160,226,093 (£96,600,000)	£185,125,502 (£96,600,000)	£209,796,469 (£96,600,000)
+3.000% 1,238.07 /m²	(£221,939,399) (£96,600,000)	(£181,604,825) (£96,600,000)	(£143,508,271) (£96,600,000)	(£108,156,545) (£96,600,000)	(£74,854,352) (£96,600,000)	(£43,171,950) (£96,600,000)	(£12,872,597) (£96,600,000)	£16,533,527 (£96,600,000)	£44,977,584 (£96,600,000)	£72,693,644 (£96,600,000)	£99,682,205 (£96,600,000)	£125,894,774 (£96,600,000)	£151,640,214 (£96,600,000)	£176,773,142 (£96,600,000)	£201,466,862 (£96,600,000)
+4.000% 1,250.09 /m²	(£235,327,909) (£96,600,000)	(£194,906,748) (£96,600,000)	(£155,900,603) (£96,600,000)	(£119,681,925) (£96,600,000)	(£85,800,736) (£96,600,000)	(£53,704,357) (£96,600,000)	(£22,960,169) (£96,600,000)	£6,786,749 (£96,600,000)	£35,414,514 (£96,600,000)	£63,468,309 (£96,600,000)	£90,594,925 (£96,600,000)	£117,156,535 (£96,600,000)	£142,959,908 (£96,600,000)	£168,365,041 (£96,600,000)	£193,115,632 (£96,600,000)
+5.000% 1,262.11 /m²	(£248,716,419) (£96,600,000)	(£208,295,257) (£96,600,000)	(£168,577,493) (£96,600,000)	(£131,551,423) (£96,600,000)	(£97,009,673) (£96,600,000)	(£64,358,068) (£96,600,000)	(£33,096,014) (£96,600,000)	(£3,101,887) (£96,600,000)	£25,839,207 (£96,600,000)	£54,122,507 (£96,600,000)	£81,478,854 (£96,600,000)	£108,307,478 (£96,600,000)	£134,251,308 (£96,600,000)	£159,871,873 (£96,600,000)	£184,764,402 (£96,600,000)
+6.000% 1,274.13 /m²	(£262,104,929) (£96,600,000)	(£221,683,767) (£96,600,000)	(£181,423,477) (£96,600,000)	(£143,516,207) (£96,600,000)	(£108,285,147) (£96,600,000)	(£75,048,721) (£96,600,000)	(£43,408,179) (£96,600,000)	(£13,142,020) (£96,600,000)	£16,231,791 (£96,600,000)	£44,666,456 (£96,600,000)	£72,360,820 (£96,600,000)	£99,344,441 (£96,600,000)	£125,542,708 (£96,600,000)	£151,287,783 (£96,600,000)	£176,413,173 (£96,600,000)
+7.000% 1,286.15 /m²	(£275,493,438) (£96,600,000)	(£235,072,277) (£96,600,000)	(£194,651,115) (£96,600,000)	(£155,818,411) (£96,600,000)	(£119,758,745) (£96,600,000)	(£85,963,311) (£96,600,000)	(£53,920,068) (£96,600,000)	(£23,229,593) (£96,600,000)	£6,498,614 (£96,600,000)	£35,105,579 (£96,600,000)	£63,145,298 (£96,600,000)	£90,259,425 (£96,600,000)	£116,808,580 (£96,600,000)	£142,607,841 (£96,600,000)	£168,007,750 (£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
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5,058 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
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Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				969,657,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		15.00%	186,709,017	
				207,937,574
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			84,143,734	
Construction			40,084,286	
Total Finance Cost				124,228,020
TOTAL COSTS				**1,540,062,316**
PROFIT				
				9,756,297

Performance Measures

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Eastleigh BC - Strategic Growth Option
Base Appraisal v9 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£140,425,018)	(£104,966,540)	(£71,578,863)	(£39,814,450)	(£9,410,882)	£20,126,011	£48,645,393	£76,549,015	£103,621,544	£130,102,324	£155,903,216	£181,316,902	£206,100,007	£230,719,979	£254,911,365
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£152,879,126)	(£116,539,571)	(£82,569,635)	(£50,386,604)	(£19,498,455)	£10,326,022	£39,070,085	£67,246,945	£94,505,472	£121,269,509	£147,194,616	£172,811,887	£197,748,778	£222,432,921	£246,770,259
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£165,561,904)	(£128,433,768)	(£93,800,562)	(£61,040,315)	(£29,685,067)	£388,458	£29,492,836	£57,844,127	£85,389,400	£112,333,653	£138,486,016	£164,225,875	£189,387,822	£214,090,138	£238,584,094
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£178,472,780)	(£140,421,462)	(£105,087,082)	(£71,766,839)	(£40,046,075)	(£9,680,305)	£19,831,204	£48,336,458	£76,221,250	£103,286,043	£129,754,025	£155,551,150	£180,960,654	£205,738,908	£230,359,740
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£191,769,332)	(£152,786,758)	(£116,609,700)	(£82,726,023)	(£50,600,111)	(£19,767,878)	£10,041,160	£38,761,151	£66,926,171	£94,169,972	£120,926,088	£146,842,549	£172,458,061	£197,387,679	£222,072,225
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£205,157,842)	(£165,460,404)	(£128,469,641)	(£93,937,745)	(£61,253,822)	(£29,935,297)	£113,029	£29,185,843	£57,529,620	£85,053,900	£111,994,214	£138,133,949	£163,873,090	£189,028,115	£213,729,039
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£218,546,351)	(£178,294,930)	(£140,431,384)	(£105,214,676)	(£71,959,440)	(£40,277,700)	(£9,949,729)	£19,534,551	£48,027,523	£75,893,486	£102,950,543	£129,405,727	£155,199,083	£180,604,406	£205,377,809
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£231,934,861)	(£191,513,699)	(£152,709,749)	(£116,687,983)	(£82,888,597)	(£50,813,618)	(£20,037,302)	£9,756,297	£38,452,216	£66,605,396	£93,834,471	£120,582,668	£146,490,483	£172,104,235	£197,026,579
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£245,323,371)	(£204,902,209)	(£165,364,791)	(£128,505,515)	(£94,074,928)	(£61,467,328)	(£30,188,715)	(£162,401)	£28,876,908	£57,215,114	£84,718,400	£111,654,774	£137,781,882	£163,520,305	£188,668,409
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£258,711,881)	(£218,290,719)	(£178,136,171)	(£140,454,301)	(£105,349,043)	(£72,153,989)	(£40,513,749)	(£10,219,152)	£19,236,293	£47,717,958	£75,565,721	£102,615,043	£129,057,429	£154,847,016	£180,248,158
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£272,100,390)	(£231,679,229)	(£191,259,871)	(£152,651,632)	(£116,774,030)	(£83,053,460)	(£51,029,670)	(£20,306,725)	£9,468,239	£38,143,281	£66,284,622	£93,498,971	£120,239,247	£146,138,416	£171,750,409
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£285,488,900)	(£245,067,738)	(£204,646,577)	(£165,269,178)	(£128,541,388)	(£94,212,111)	(£61,680,835)	(£30,443,706)	(£437,831)	£28,567,973	£56,900,608	£84,382,899	£111,315,335	£137,429,816	£163,167,519
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£298,877,410)	(£258,456,248)	(£218,035,087)	(£177,994,257)	(£140,490,092)	(£105,486,226)	(£72,354,695)	(£40,749,978)	(£10,488,576)	£18,938,035	£47,407,251	£75,237,614	£102,279,217	£128,709,130	£154,494,949
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£312,265,920)	(£271,844,758)	(£231,423,596)	(£191,028,056)	(£152,608,093)	(£116,867,814)	(£83,222,382)	(£51,247,651)	(£20,576,148)	£9,180,104	£37,834,346	£65,963,848	£93,163,471	£119,895,826	£145,786,349
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£325,654,429)	(£285,233,268)	(£244,812,106)	(£204,390,944)	(£165,173,565)	(£128,580,549)	(£94,349,294)	(£61,894,342)	(£30,699,347)	(£715,340)	£28,259,039	£56,584,577	£84,047,399	£110,975,895	£137,077,749
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v10 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v10 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**
OUTLAY					
ACQUISITION COSTS					
Fixed Price		80,500,000			
Fixed Price (322.00 Ha @ 250,000.00 /Hect)			80,500,000		
					80,500,000
Stamp Duty			4,016,000		
Effective Stamp Duty Rate		4.99%			
Agent Fee		1.50%	1,207,500		
Legal Fee		0.75%	603,750		
					5,827,250

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
				280,667,501
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			50,439,475	
Construction			39,069,260	
Total Finance Cost				89,508,735
TOTAL COSTS				**1,580,568,402**
PROFIT				
				29,311,500

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v10 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£102,654,384)	(£71,983,456)	(£42,366,354)	(£13,731,114)	£13,992,410	£41,030,745	£67,132,114	£92,804,030	£117,720,194	£142,396,962	£166,553,219	£190,296,659	£213,540,942	£236,547,741	£259,315,329
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£113,629,650)	(£82,464,989)	(£52,459,603)	(£23,619,148)	£4,494,106	£31,712,468	£58,083,330	£83,934,943	£109,042,701	£133,822,878	£158,151,783	£182,013,759	£205,441,403	£228,475,023	£251,349,684
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£124,699,416)	(£93,007,351)	(£62,702,085)	(£33,568,430)	(£5,147,076)	£22,266,348	£49,011,826	£74,963,095	£100,354,037	£125,171,555	£149,686,791	£173,679,210	£197,292,373	£220,392,761	£243,353,373
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£135,876,941)	(£103,742,719)	(£73,111,407)	(£43,529,734)	(£14,906,933)	£12,794,211	£39,825,435	£65,916,004	£91,584,157	£116,494,061	£141,171,370	£165,323,062	£189,065,686	£212,310,498	£235,318,350
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£147,330,976)	(£114,698,602)	(£83,592,940)	(£53,610,913)	(£24,788,982)	£3,301,490	£30,512,305	£56,867,220	£82,717,390	£107,816,567	£132,597,353	£156,924,256	£180,783,383	£204,210,382	£227,244,580
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£159,025,958)	(£125,768,368)	(£94,120,087)	(£63,842,296)	(£34,738,264)	(£6,329,600)	£21,068,150	£47,799,744	£73,746,801	£99,130,155	£123,945,421	£148,460,911	£172,448,848	£196,060,205	£219,162,317
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£170,796,016)	(£136,918,155)	(£104,835,662)	(£74,239,359)	(£44,695,718)	(£16,082,752)	£11,596,013	£38,620,125	£64,699,894	£90,364,283	£115,267,928	£139,945,778	£164,092,700	£187,834,713	£211,080,054
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£182,903,715)	(£148,334,745)	(£115,767,553)	(£84,720,892)	(£54,762,486)	(£25,958,817)	£2,108,875	£29,311,500	£55,651,110	£81,499,836	£106,590,434	£131,371,829	£155,696,728	£179,553,007	£202,979,360
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£195,306,661)	(£160,014,630)	(£126,837,319)	(£95,234,431)	(£64,983,248)	(£35,908,099)	(£7,512,124)	£19,869,951	£46,587,663	£72,530,507	£97,905,520	£122,719,288	£147,235,031	£171,218,486	£194,828,037
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£207,861,764)	(£171,758,244)	(£137,962,415)	(£105,928,606)	(£75,367,310)	(£45,861,703)	(£17,258,571)	£10,397,814	£37,414,815	£63,483,784	£89,144,226	£114,041,794	£138,720,185	£162,862,338	£186,603,739
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£220,904,006)	(£183,806,663)	(£149,343,486)	(£116,840,202)	(£85,848,843)	(£55,917,370)	(£27,128,651)	£916,260	£28,110,198	£54,435,000	£80,282,282	£105,364,301	£130,146,304	£154,469,201	£178,322,631
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£234,110,156)	(£196,189,012)	(£161,003,302)	(£127,906,271)	(£96,352,174)	(£66,124,199)	(£37,077,933)	(£8,695,663)	£18,671,753	£45,375,582	£71,314,212	£96,680,886	£121,493,154	£146,008,810	£169,988,124
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£247,629,671)	(£208,683,789)	(£172,728,977)	(£139,011,244)	(£107,025,153)	(£76,495,262)	(£47,027,687)	(£18,435,992)	£9,199,616	£36,208,325	£62,267,674	£87,923,341	£112,815,661	£137,494,593	£161,631,976
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£261,509,113)	(£221,648,598)	(£184,719,193)	(£150,357,670)	(£117,913,880)	(£86,976,795)	(£57,072,255)	(£28,298,686)	(£278,852)	£26,908,896	£53,218,891	£79,064,728	£104,138,167	£128,920,779	£153,241,673
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£275,420,461)	(£234,830,079)	(£197,071,364)	(£161,991,974)	(£128,975,222)	(£97,469,945)	(£67,265,392)	(£38,247,768)	(£9,880,574)	£17,473,554	£44,162,384	£70,097,918	£95,456,251	£120,267,021	£144,782,516
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
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Heading	Phase	Rate	No. of Steps
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Eastleigh BC - Strategic Growth Option
Base Appraisal v11 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v11 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
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Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS				
Fixed Price		96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)			96,600,000	
				96,600,000
Stamp Duty			4,821,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,449,000	
Legal Fee		0.75%	724,500	
				6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v11 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,946,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
				280,667,501
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			65,109,514	
Construction			39,651,504	
Total Finance Cost				104,761,017
TOTAL COSTS				**1,613,987,934**
PROFIT				
				4,108,031

Performance Measures

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Eastleigh BC - Strategic Growth Option
Base Appraisal v11 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£142,672,868)	(£110,145,878)	(£79,094,231)	(£49,103,270)	(£20,255,382)	£7,926,832	£35,200,428	£61,755,217	£87,676,580	£113,021,809	£137,838,918	£162,385,866	£186,440,836	£210,061,437	£233,244,215
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£154,330,116)	(£121,213,407)	(£89,615,646)	(£59,342,350)	(£30,204,664)	(£1,743,570)	£25,731,958	£52,622,439	£78,639,986	£104,257,769	£129,161,424	£153,861,740	£178,072,294	£201,824,721	£225,151,747
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£166,059,524)	(£132,331,031)	(£100,314,830)	(£69,740,649)	(£40,169,577)	(£11,525,650)	£16,259,821	£43,374,159	£69,591,203	£95,406,062	£120,483,931	£145,271,784	£169,646,367	£193,541,879	£217,015,216
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£178,050,049)	(£143,686,855)	(£111,219,556)	(£80,222,182)	(£50,254,581)	(£21,425,217)	£6,737,073	£34,001,300	£60,541,180	£86,459,983	£111,797,274	£136,612,785	£161,159,986	£185,210,474	£208,829,294
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£190,394,300)	(£155,318,788)	(£122,282,358)	(£90,732,524)	(£60,483,302)	(£31,374,499)	(£2,925,508)	£24,533,759	£51,413,955	£77,423,876	£103,036,884	£127,935,291	£152,636,302	£176,843,690	£200,593,748
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£202,849,328)	(£167,036,838)	(£133,381,636)	(£101,411,501)	(£70,868,601)	(£41,334,643)	(£12,701,469)	£15,061,622	£42,170,665	£68,375,093	£94,187,853	£119,257,797	£144,046,259	£168,419,525	£192,311,503
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£215,711,301)	(£178,972,752)	(£144,703,738)	(£112,293,478)	(£81,350,134)	(£51,405,891)	(£22,595,051)	£5,547,097	£32,802,172	£59,326,309	£85,243,385	£110,572,640	£135,386,651	£159,934,106	£183,980,112
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£228,883,049)	(£191,276,651)	(£156,307,460)	(£123,351,310)	(£91,850,267)	(£61,624,253)	(£32,544,333)	(£4,108,031)	£23,335,561	£50,205,471	£76,207,767	£101,816,000	£126,709,158	£151,410,864	£175,614,411
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£242,251,523)	(£203,704,406)	(£168,021,849)	(£134,437,129)	(£102,509,360)	(£71,996,937)	(£42,500,627)	(£13,877,288)	£13,863,424	£40,966,800	£67,158,983	£92,969,644	£118,031,664	£142,820,734	£167,192,682
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£256,024,713)	(£216,472,531)	(£179,904,148)	(£145,725,803)	(£113,371,931)	(£82,478,085)	(£52,560,741)	(£23,764,886)	£4,357,122	£31,603,044	£58,110,199	£84,026,788	£109,348,005	£134,160,518	£158,708,226
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£269,936,061)	(£229,627,641)	(£192,159,003)	(£157,296,132)	(£124,420,261)	(£92,969,950)	(£62,765,204)	(£33,714,168)	(£5,290,555)	£22,137,362	£48,996,987	£74,991,657	£100,595,115	£125,483,024	£150,185,426
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£283,847,409)	(£242,920,450)	(£204,574,320)	(£169,010,521)	(£135,496,815)	(£103,609,107)	(£73,128,045)	(£43,666,612)	(£15,053,106)	£12,665,225	£39,762,935	£65,942,873	£91,751,435	£116,805,531	£141,595,209
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£297,758,756)	(£256,601,913)	(£217,251,837)	(£180,844,252)	(£146,752,308)	(£114,450,384)	(£83,606,037)	(£53,715,625)	(£24,934,720)	£3,166,333	£30,403,916	£56,894,089	£82,810,190	£108,123,370	£132,934,385
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£311,670,104)	(£270,513,261)	(£230,372,233)	(£193,041,354)	(£158,285,131)	(£125,489,213)	(£94,092,764)	(£63,907,873)	(£34,884,002)	(£6,473,079)	£20,939,164	£47,788,503	£73,775,547	£99,374,230	£124,256,891
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£325,581,452)	(£284,424,609)	(£243,610,628)	(£205,456,672)	(£169,999,194)	(£136,559,015)	(£104,711,864)	(£74,259,153)	(£44,833,284)	(£16,228,925)	£11,467,027	£38,559,070	£64,726,763	£90,533,226	£115,579,397
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v12 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY — DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v12 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**
OUTLAY					
ACQUISITION COSTS					
Fixed Price			112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)				112,700,000	
					112,700,000
Stamp Duty			5,626,000		
Effective Stamp Duty Rate			4.99%		
Agent Fee			1.50%	1,690,500	
Legal Fee			0.75%	845,250	
					8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
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Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
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Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,003,846,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
				280,667,501
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			81,386,862	
Construction			40,238,425	
Total Finance Cost				121,625,288
TOTAL COSTS				**1,649,019,455**
PROFIT				
				39,139,552

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v12 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£185,481,939)	(£150,622,946)	(£117,727,398)	(£86,230,617)	(£55,983,356)	(£26,840,899)	£1,652,287	£29,197,567	£56,199,361	£82,315,185	£108,090,598	£133,151,294	£157,945,973	£182,360,310	£206,300,374
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£197,897,594)	(£162,337,336)	(£128,808,819)	(£96,895,708)	(£66,369,891)	(£36,810,580)	(£8,148,608)	£19,724,874	£46,894,577	£73,266,401	£99,165,465	£124,464,393	£149,280,148	£173,859,061	£197,972,100
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£210,575,314)	(£174,176,904)	(£140,079,431)	(£107,753,943)	(£76,851,424)	(£46,898,248)	(£18,061,451)	£10,161,629	£37,471,506	£64,183,980	£90,147,859	£115,708,658	£140,602,655	£165,321,301	£189,581,297
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£223,690,153)	(£186,364,567)	(£151,613,320)	(£118,796,349)	(£87,348,360)	(£57,124,307)	(£28,010,733)	£472,092	£27,999,369	£54,994,051	£81,099,075	£106,872,389	£131,925,161	£156,720,209	£181,134,016
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£236,936,272)	(£198,779,607)	(£163,326,008)	(£129,870,999)	(£97,994,944)	(£67,498,878)	(£37,973,568)	(£9,322,343)	£18,527,232	£45,693,275	£72,050,292	£97,948,867	£123,239,759	£148,054,015	£172,633,181
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£250,545,713)	(£211,373,636)	(£175,125,065)	(£141,108,207)	(£108,832,815)	(£77,979,376)	(£48,049,558)	(£19,231,286)	£8,974,235	£36,273,307	£62,972,343	£88,931,749	£114,487,774	£139,376,521	£164,095,863
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£264,451,661)	(£224,434,745)	(£187,256,241)	(£152,608,656)	(£119,865,301)	(£88,469,956)	(£58,265,258)	(£29,180,568)	(£708,103)	£26,801,170	£53,788,741	£79,882,965	£105,654,180	£130,699,028	£155,494,445
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£278,363,009)	(£237,640,454)	(£199,661,959)	(£164,314,680)	(£130,935,067)	(£99,097,701)	(£68,629,986)	(£39,139,552)	(£10,496,078)	£17,329,033	£44,491,972	£70,834,182	£96,732,270	£122,015,124	£146,827,882
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£292,274,356)	(£251,154,366)	(£212,189,430)	(£176,081,045)	(£142,142,621)	(£109,916,093)	(£79,107,327)	(£49,204,111)	(£20,401,120)	£7,786,841	£35,075,109	£61,760,262	£87,715,639	£113,266,889	£138,150,388
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£306,185,704)	(£265,028,861)	(£225,179,337)	(£188,156,859)	(£153,608,580)	(£120,934,252)	(£89,592,769)	(£59,406,209)	(£30,350,402)	(£1,888,298)	£25,602,972	£52,582,658	£78,666,856	£104,435,971	£129,472,894
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£320,097,052)	(£278,940,209)	(£238,360,693)	(£200,544,311)	(£165,303,352)	(£132,004,018)	(£100,200,459)	(£69,761,093)	(£40,305,536)	(£11,671,823)	£16,130,835	£43,290,670	£69,618,072	£95,515,672	£120,790,490
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£334,008,400)	(£292,851,556)	(£251,788,158)	(£213,021,043)	(£177,044,926)	(£143,179,291)	(£110,999,372)	(£80,235,279)	(£50,358,995)	(£21,570,955)	£6,599,347	£33,876,910	£60,548,181	£86,499,530	£112,046,004
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£347,919,747)	(£306,762,904)	(£265,606,061)	(£225,923,930)	(£189,066,466)	(£154,611,382)	(£122,003,204)	(£90,716,812)	(£60,550,354)	(£31,520,237)	(£3,068,987)	£24,404,773	£51,375,816	£77,450,746	£103,217,762
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£361,831,095)	(£320,674,252)	(£279,517,409)	(£239,095,869)	(£201,426,662)	(£166,292,024)	(£133,072,970)	(£101,306,924)	(£70,892,201)	(£41,471,521)	(£12,847,642)	£14,932,636	£42,089,367	£68,401,962	£94,298,756
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£375,742,443)	(£334,585,599)	(£293,428,756)	(£252,443,984)	(£213,867,250)	(£178,016,282)	(£144,221,397)	(£112,085,728)	(£81,363,230)	(£51,513,880)	(£22,740,789)	£5,409,372	£32,678,712	£59,336,100	£85,283,420
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v13 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v13 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs			5.85%	1,006,059	
Effective Purchaser's Costs Rate			5.85%		1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**
OUTLAY					
ACQUISITION COSTS					
Fixed Price			80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)				80,500,000	
					80,500,000
Stamp Duty				4,016,000	
Effective Stamp Duty Rate			4.99%		
Agent Fee			1.50%	1,207,500	
Legal Fee			0.75%	603,750	
					5,827,250

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,001,205,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
				248,318,991
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			50,190,931	
Construction			38,882,284	
Total Finance Cost				89,073,215
TOTAL COSTS				**1,546,943,371**
PROFIT				
				62,936,532

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v13 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£71,809,233)	(£40,763,237)	(£10,789,732)	£18,247,013	£46,342,662	£73,773,043	£100,270,178	£126,329,599	£151,651,938	£176,733,036	£201,285,621	£225,438,973	£249,080,823	£272,511,526	£295,693,154
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£82,751,177)	(£51,244,771)	(£20,857,969)	£8,379,303	£36,857,315	£64,476,519	£91,221,394	£117,479,628	£142,974,444	£168,171,949	£192,898,857	£217,167,705	£240,989,116	£264,446,213	£287,730,909
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£93,820,943)	(£61,765,240)	(£31,078,471)	(£1,569,979)	£27,241,906	£55,047,910	£82,162,023	£108,526,509	£134,292,055	£159,534,607	£184,444,958	£208,842,716	£232,850,603	£256,363,950	£279,741,437
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£104,966,477)	(£72,470,867)	(£41,459,880)	(£11,524,407)	£17,500,653	£45,575,773	£72,997,511	£99,485,377	£125,540,023	£150,857,114	£175,938,465	£200,486,568	£224,638,798	£248,281,688	£271,714,351
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£116,376,769)	(£83,390,696)	(£51,941,413)	(£21,581,544)	£7,639,521	£36,095,256	£63,706,525	£90,436,593	£116,692,728	£142,179,620	£167,377,842	£192,101,893	£216,368,412	£240,189,763	£263,647,078
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£128,052,424)	(£94,458,585)	(£62,450,566)	(£31,788,114)	(£2,308,505)	£26,488,305	£54,281,020	£81,379,930	£107,741,524	£133,498,729	£158,739,783	£183,649,973	£208,043,663	£232,049,744	£255,564,815
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£139,797,539)	(£105,580,567)	(£73,133,793)	(£42,157,134)	(£12,259,083)	£16,754,001	£44,808,883	£72,221,978	£98,700,576	£124,750,447	£150,062,289	£175,143,894	£199,687,515	£223,838,623	£247,482,553
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£151,848,615)	(£116,954,331)	(£84,033,064)	(£52,638,056)	(£22,305,120)	£6,899,089	£35,331,209	£62,936,532	£89,651,792	£115,905,828	£141,384,795	£166,583,734	£191,304,867	£215,569,120	£239,390,410
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£164,232,234)	(£128,609,788)	(£95,096,228)	(£63,137,000)	(£32,498,294)	(£3,047,031)	£25,734,703	£53,514,130	£80,597,201	£106,956,538	£132,705,403	£157,944,958	£182,854,988	£207,244,610	£231,248,884
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£176,739,316)	(£140,336,483)	(£106,198,087)	(£73,800,343)	(£42,856,933)	(£12,996,313)	£16,007,349	£44,041,993	£71,446,446	£97,915,775	£123,960,871	£149,267,465	£174,349,323	£198,888,462	£223,038,448
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£189,722,495)	(£152,329,413)	(£117,538,409)	(£84,675,875)	(£53,334,698)	(£23,028,695)	£6,158,657	£34,567,162	£62,166,538	£88,866,991	£115,118,928	£140,589,971	£165,789,626	£190,507,841	£214,769,828
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£202,910,124)	(£164,683,277)	(£129,167,151)	(£95,733,871)	(£63,825,688)	(£33,211,330)	(£3,785,556)	£24,981,102	£52,747,241	£79,814,473	£106,171,553	£131,912,078	£157,150,134	£182,060,003	£206,445,557
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£216,373,750)	(£177,143,285)	(£140,883,610)	(£106,822,055)	(£74,466,901)	(£43,556,732)	(£13,734,838)	£15,260,697	£43,275,104	£70,670,914	£97,130,974	£123,171,296	£148,472,640	£173,554,752	£198,089,408
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£230,223,631)	(£190,035,779)	(£152,819,366)	(£118,126,034)	(£85,323,019)	(£54,031,341)	(£23,754,023)	£5,418,226	£33,802,967	£61,396,464	£88,082,190	£114,332,028	£139,795,146	£164,995,518	£189,710,816
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£244,134,979)	(£203,207,999)	(£165,134,320)	(£129,724,514)	(£96,371,513)	(£64,517,193)	(£33,924,367)	(£4,524,082)	£24,227,501	£51,980,351	£79,031,745	£105,386,568	£131,117,653	£156,355,309	£181,265,018
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v14 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
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Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs			5.85%	1,006,059	
Effective Purchaser's Costs Rate			5.85%		1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**
OUTLAY					
ACQUISITION COSTS					
Fixed Price			96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)				96,600,000	
					96,600,000
Stamp Duty				4,821,000	
Effective Stamp Duty Rate			4.99%		
Agent Fee			1.50%	1,449,000	
Legal Fee			0.75%	724,500	
					6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,946,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
				248,318,991
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			65,109,514	
Construction			39,651,504	
Total Finance Cost				104,761,017
TOTAL COSTS				**1,581,639,423**
PROFIT				
				28,240,479

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v14 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£113,343,519)	(£80,385,221)	(£48,902,265)	(£18,479,995)	£10,799,202	£39,412,725	£67,117,630	£94,103,728	£120,456,400	£146,232,937	£171,481,355	£196,459,612	£220,945,891	£244,997,801	£268,611,887
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£125,000,767)	(£91,452,749)	(£59,423,680)	(£28,719,075)	£849,920	£29,742,323	£57,649,159	£84,970,950	£111,419,806	£137,468,898	£162,803,862	£187,935,486	£212,577,349	£236,761,085	£260,519,419
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£136,730,176)	(£102,570,374)	(£70,122,864)	(£39,117,374)	(£9,114,993)	£19,960,243	£48,177,022	£75,722,670	£102,371,022	£128,617,190	£154,126,368	£179,345,530	£204,151,422	£228,478,243	£252,382,889
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£148,720,701)	(£113,926,198)	(£81,027,590)	(£49,598,907)	(£19,199,996)	£10,060,676	£38,654,275	£66,349,811	£93,320,999	£119,671,111	£145,439,712	£170,686,531	£195,665,041	£220,146,838	£244,196,967
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£161,064,951)	(£125,558,131)	(£92,090,392)	(£60,109,249)	(£29,428,717)	£111,394	£28,991,694	£56,882,270	£84,193,774	£110,635,005	£136,679,322	£162,009,037	£187,141,357	£211,780,054	£235,961,421
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£173,519,979)	(£137,276,181)	(£103,189,670)	(£70,788,226)	(£39,814,016)	(£9,848,750)	£19,215,733	£47,410,133	£74,950,485	£101,586,221	£127,830,290	£153,331,544	£178,551,314	£203,355,889	£227,679,175
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£186,381,953)	(£149,212,095)	(£114,511,772)	(£81,670,203)	(£50,295,550)	(£19,919,998)	£9,322,151	£37,895,608	£65,581,992	£92,537,437	£118,885,822	£144,646,386	£169,891,706	£194,870,470	£219,347,785
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£199,553,700)	(£161,515,994)	(£126,115,494)	(£92,728,035)	(£60,795,683)	(£30,138,360)	(£627,132)	£28,240,479	£56,115,380	£83,416,599	£109,850,204	£135,889,746	£161,214,213	£186,347,228	£210,982,083
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£212,922,175)	(£173,943,749)	(£137,829,883)	(£103,813,854)	(£71,454,776)	(£40,511,044)	(£10,583,426)	£18,471,223	£46,643,243	£74,177,928	£100,801,420	£127,043,390	£152,536,719	£177,757,098	£202,560,355
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£226,695,365)	(£186,711,873)	(£149,712,181)	(£115,102,528)	(£82,317,347)	(£50,992,192)	(£20,643,539)	£8,583,625	£37,136,942	£64,814,172	£91,752,637	£118,100,534	£143,853,060	£169,096,882	£194,075,899
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£240,606,712)	(£199,866,984)	(£161,967,037)	(£126,672,857)	(£93,365,677)	(£61,484,057)	(£30,848,002)	(£1,365,657)	£27,489,264	£55,348,491	£82,639,424	£109,065,403	£135,100,170	£160,419,388	£185,553,099
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£254,518,060)	(£213,159,793)	(£174,382,354)	(£138,387,246)	(£104,442,231)	(£72,123,214)	(£41,210,843)	(£11,318,101)	£17,726,713	£45,876,353	£73,405,372	£100,016,619	£126,256,490	£151,741,895	£176,962,882
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£268,429,408)	(£226,841,256)	(£187,059,871)	(£150,220,976)	(£115,697,724)	(£82,964,491)	(£51,688,835)	(£21,367,114)	£7,845,099	£36,377,462	£64,046,353	£90,967,836	£117,315,245	£143,059,734	£168,302,057
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£282,340,755)	(£240,752,603)	(£200,180,267)	(£162,418,079)	(£127,230,547)	(£94,003,320)	(£62,175,562)	(£31,559,362)	(£2,104,183)	£26,738,050	£54,581,601	£81,862,249	£108,280,602	£134,310,594	£159,624,564
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£296,252,103)	(£254,663,951)	(£213,418,662)	(£174,833,396)	(£138,944,610)	(£105,073,122)	(£72,794,662)	(£41,910,642)	(£12,053,465)	£16,982,203	£45,109,464	£72,632,816	£99,231,818	£125,469,590	£150,947,070
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v15 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY — DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v15 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**
OUTLAY					
ACQUISITION COSTS					
Fixed Price		112,700,000			
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000		
					112,700,000
Stamp Duty			5,626,000		
Effective Stamp Duty Rate		4.99%			
Agent Fee		1.50%	1,690,500		
Legal Fee		0.75%	845,250		
					8,161,750

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v15 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,003,846,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
				248,318,991
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			81,386,862	
Construction			40,238,425	
Total Finance Cost				121,625,288
TOTAL COSTS				**1,616,670,944**
PROFIT				
				6,791,041

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v15 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£156,152,590)	(£120,862,289)	(£87,535,431)	(£55,607,342)	(£24,928,771)	£4,644,994	£33,569,489	£61,546,078	£88,979,181	£115,526,314	£141,733,035	£167,225,040	£192,451,028	£217,296,674	£241,668,047
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£168,568,245)	(£132,576,678)	(£98,616,853)	(£66,272,433)	(£35,315,307)	(£5,324,687)	£23,768,594	£52,073,385	£79,674,397	£106,477,530	£132,807,902	£158,538,140	£183,785,203	£208,795,425	£233,339,773
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£181,245,966)	(£144,416,247)	(£109,887,465)	(£77,130,668)	(£45,796,840)	(£15,412,355)	£13,855,751	£42,510,139	£70,251,325	£97,395,108	£123,790,296	£149,782,404	£175,107,710	£200,257,665	£224,948,970
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£194,360,804)	(£156,603,909)	(£121,421,354)	(£88,173,074)	(£56,293,776)	(£25,638,414)	£3,906,468	£32,820,603	£60,779,188	£88,205,180	£114,741,513	£140,946,135	£166,430,216	£191,656,573	£216,501,689
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£207,606,924)	(£169,018,950)	(£133,134,041)	(£99,247,723)	(£66,940,360)	(£36,012,985)	(£6,056,366)	£23,026,168	£51,307,051	£78,904,403	£105,692,729	£132,022,613	£157,744,814	£182,990,379	£208,000,854
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£221,216,364)	(£181,612,979)	(£144,933,099)	(£110,484,932)	(£77,778,230)	(£46,493,483)	(£16,132,357)	£13,117,225	£41,754,055	£69,484,436	£96,614,780	£123,005,495	£148,992,829	£174,312,885	£199,463,536
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£235,122,312)	(£194,674,088)	(£157,064,275)	(£121,985,380)	(£88,810,717)	(£56,984,063)	(£26,348,056)	£3,167,943	£32,071,717	£60,012,299	£87,431,178	£113,956,712	£140,159,235	£165,635,391	£190,862,118
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£249,033,660)	(£207,879,796)	(£169,469,993)	(£133,691,405)	(£99,880,483)	(£67,611,808)	(£36,712,784)	(£6,791,041)	£22,283,742	£50,540,161	£78,134,410	£104,907,928	£131,237,325	£156,951,488	£182,195,554
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£262,945,008)	(£221,393,708)	(£181,997,463)	(£145,457,770)	(£111,088,037)	(£78,430,200)	(£47,190,125)	(£16,855,600)	£12,378,699	£40,997,970	£68,717,546	£95,834,008	£122,220,694	£148,203,253	£173,518,061
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£276,856,356)	(£235,268,204)	(£194,987,371)	(£157,533,584)	(£122,553,996)	(£89,448,359)	(£57,675,568)	(£27,057,699)	£2,429,417	£31,322,830	£59,245,409	£86,656,404	£113,171,911	£139,372,335	£164,840,567
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£290,767,703)	(£249,179,551)	(£208,168,726)	(£169,921,035)	(£134,248,768)	(£100,518,125)	(£68,283,257)	(£37,412,583)	(£7,525,717)	£21,539,305	£49,773,272	£77,364,416	£104,123,127	£130,452,036	£156,158,162
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£304,679,051)	(£263,090,899)	(£221,596,191)	(£182,397,768)	(£145,990,342)	(£111,693,398)	(£79,082,170)	(£47,886,768)	(£17,579,176)	£11,640,174	£40,241,785	£67,950,656	£95,053,236	£121,435,894	£147,413,677
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£318,590,399)	(£277,002,247)	(£235,414,095)	(£195,300,655)	(£158,011,882)	(£123,125,490)	(£90,086,002)	(£58,368,301)	(£27,770,534)	£1,690,892	£30,573,451	£58,478,519	£85,880,872	£112,387,110	£138,585,434
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£332,501,746)	(£290,913,594)	(£249,325,442)	(£208,472,593)	(£170,372,078)	(£134,806,131)	(£101,155,768)	(£68,958,413)	(£38,112,382)	(£8,260,392)	£20,794,795	£49,006,382	£76,594,423	£103,338,326	£129,666,429
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£346,413,094)	(£304,824,942)	(£263,236,790)	(£221,820,709)	(£182,812,666)	(£146,530,389)	(£112,304,195)	(£79,737,218)	(£48,583,411)	(£18,302,751)	£10,901,648	£39,483,118	£67,183,767	£94,272,464	£120,651,093
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v16 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v16 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**
OUTLAY					
ACQUISITION COSTS					
Fixed Price		80,500,000			
Fixed Price (322.00 Ha @ 250,000.00 /Hect)			80,500,000		
					80,500,000
Stamp Duty			4,016,000		
Effective Stamp Duty Rate		4.99%			
Agent Fee		1.50%	1,207,500		
Legal Fee		0.75%	603,750		
					5,827,250

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v16 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		15.00%	194,091,064	
				215,970,480
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			50,439,475	
Construction			39,069,260	
Total Finance Cost				89,508,735
TOTAL COSTS				**1,515,871,381**
PROFIT				
				94,008,522

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v16 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£43,995,687)	(£12,462,141)	£18,017,579	£47,515,436	£76,101,578	£104,002,531	£130,966,517	£157,501,052	£183,279,833	£208,819,219	£233,838,093	£258,444,152	£282,551,052	£306,420,468	£330,050,675
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£54,970,953)	(£22,943,674)	£7,924,330	£37,627,402	£66,603,274	£94,684,254	£121,917,733	£148,631,965	£174,602,340	£200,245,135	£225,436,658	£250,161,251	£274,451,513	£298,347,751	£322,085,029
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£66,040,719)	(£33,486,037)	(£2,318,152)	£27,678,120	£56,962,092	£85,238,134	£112,846,229	£139,660,117	£165,913,676	£191,593,811	£216,971,665	£241,826,703	£266,302,483	£290,265,489	£314,088,718
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£77,218,244)	(£44,221,404)	(£12,727,475)	£17,716,817	£47,202,235	£75,765,997	£103,659,838	£130,613,025	£157,143,796	£182,916,318	£208,456,244	£233,470,554	£258,075,796	£282,183,226	£306,053,696
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£88,672,278)	(£55,177,287)	(£23,209,008)	£7,635,637	£37,320,186	£66,273,276	£94,346,709	£121,564,241	£148,277,029	£174,238,824	£199,882,228	£225,071,748	£249,793,493	£274,083,110	£297,979,925
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£100,367,260)	(£66,247,053)	(£33,736,154)	(£2,595,746)	£27,370,904	£56,642,186	£84,902,553	£112,496,766	£139,306,440	£165,552,412	£191,230,296	£216,608,403	£241,458,958	£265,932,933	£289,897,663
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£112,137,319)	(£77,396,840)	(£44,451,730)	(£12,992,808)	£17,413,450	£46,889,034	£75,430,416	£103,317,146	£130,259,533	£156,786,540	£182,552,802	£208,093,270	£233,102,810	£257,707,441	£281,815,400
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£124,245,018)	(£88,813,430)	(£55,383,621)	(£23,474,342)	£7,346,682	£37,012,969	£65,943,279	£94,008,522	£121,210,749	£147,922,093	£173,875,308	£199,519,321	£224,706,838	£249,425,735	£273,714,706
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£136,647,963)	(£100,493,315)	(£66,453,387)	(£33,987,881)	(£2,874,079)	£27,063,687	£56,322,280	£84,566,972	£112,147,303	£138,952,764	£165,190,395	£190,866,780	£216,245,141	£241,091,214	£265,563,383
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£149,203,067)	(£112,236,930)	(£77,578,482)	(£44,682,055)	(£13,258,142)	£17,110,083	£46,575,833	£75,094,835	£102,974,454	£129,906,041	£156,429,101	£182,189,287	£207,730,295	£232,735,066	£257,339,085
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£162,245,309)	(£124,285,349)	(£88,959,554)	(£55,593,652)	(£23,739,675)	£7,054,416	£36,705,752	£65,613,282	£93,669,837	£120,857,257	£147,567,157	£173,511,793	£199,156,414	£224,341,929	£249,057,977
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£175,451,459)	(£136,667,697)	(£100,619,369)	(£66,659,720)	(£34,243,006)	(£3,152,413)	£26,756,470	£56,001,358	£84,231,392	£111,797,839	£138,599,087	£164,828,378	£190,503,265	£215,881,538	£240,723,470
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£188,970,974)	(£149,162,474)	(£112,345,045)	(£77,764,693)	(£44,915,985)	(£13,523,476)	£16,806,716	£46,261,029	£74,759,255	£102,630,582	£129,552,549	£156,070,834	£181,825,771	£207,367,321	£232,367,321
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£202,850,416)	(£162,127,283)	(£124,335,260)	(£89,111,119)	(£55,804,712)	(£24,005,009)	£6,762,149	£36,398,336	£65,280,788	£93,331,152	£120,503,765	£147,212,221	£173,148,277	£198,793,507	£223,977,019
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£216,761,764)	(£175,308,764)	(£136,687,431)	(£100,745,424)	(£66,866,054)	(£34,498,159)	(£3,430,989)	£26,449,254	£55,679,066	£83,895,811	£111,447,259	£138,245,410	£164,466,361	£190,139,749	£215,517,862
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v17 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v17 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
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Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs			5.85%	1,006,059	
Effective Purchaser's Costs Rate			5.85%		1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**
OUTLAY					
ACQUISITION COSTS					
Fixed Price			96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)				96,600,000	
					96,600,000
Stamp Duty				4,821,000	
Effective Stamp Duty Rate			4.99%		
Agent Fee			1.50%	1,449,000	
Legal Fee			0.75%	724,500	
					6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v17 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,946,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		15.00%	194,091,064	
				215,970,480
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			65,109,514	
Construction			39,651,504	
Total Finance Cost				104,761,017
TOTAL COSTS				**1,549,290,913**
PROFIT				
				60,588,990

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v17 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£84,014,171)	(£50,624,564)	(£18,710,298)	£12,143,280	£41,853,786	£70,898,618	£99,034,832	£126,452,238	£153,236,219	£179,444,066	£205,123,793	£230,533,358	£255,450,946	£279,934,165	£303,979,560
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£95,671,419)	(£61,692,092)	(£29,231,713)	£1,904,200	£31,904,504	£61,228,216	£89,566,361	£117,319,460	£144,199,625	£170,680,026	£196,446,299	£222,009,232	£247,082,405	£271,697,449	£295,887,092
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£107,400,827)	(£72,809,716)	(£39,930,897)	(£8,494,099)	£21,939,591	£51,446,136	£80,094,224	£108,071,180	£135,150,842	£161,828,319	£187,768,805	£213,419,276	£238,656,477	£263,414,607	£287,750,562
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£119,391,352)	(£84,165,540)	(£50,835,624)	(£18,975,632)	£11,854,588	£41,546,569	£70,571,476	£98,698,322	£126,100,819	£152,882,239	£179,082,149	£204,760,277	£230,170,096	£255,083,202	£279,564,640
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£131,735,603)	(£95,797,473)	(£61,898,426)	(£29,485,974)	£1,625,867	£31,597,287	£60,908,896	£89,230,780	£116,973,594	£143,846,133	£170,321,759	£196,082,783	£221,646,412	£246,716,418	£271,329,094
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£144,190,631)	(£107,515,523)	(£72,997,704)	(£40,164,951)	(£8,759,432)	£21,637,143	£51,132,935	£79,758,643	£107,730,304	£134,797,350	£161,472,728	£187,405,290	£213,056,369	£238,292,252	£263,046,848
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£157,052,604)	(£119,451,438)	(£84,319,805)	(£51,046,928)	(£19,240,966)	£11,565,895	£41,239,352	£70,244,119	£98,361,811	£125,748,566	£152,528,260	£178,720,132	£204,396,761	£229,806,834	£254,715,458
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£170,224,352)	(£131,755,336)	(£95,923,528)	(£62,104,760)	(£29,741,099)	£1,347,533	£31,290,070	£60,588,990	£88,895,200	£116,627,728	£143,492,641	£169,963,492	£195,719,268	£221,283,592	£246,349,756
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£183,592,826)	(£144,183,091)	(£107,637,917)	(£73,190,579)	(£40,400,192)	(£9,025,151)	£21,333,776	£50,819,734	£79,423,063	£107,389,057	£134,443,858	£161,117,136	£187,041,774	£212,693,462	£237,928,028
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£197,366,016)	(£156,951,216)	(£119,520,215)	(£84,479,252)	(£51,262,763)	(£19,506,299)	£11,273,663	£40,932,136	£69,916,761	£98,025,301	£125,395,074	£152,174,280	£178,358,115	£204,033,246	£229,443,572
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£211,277,364)	(£170,106,326)	(£131,775,070)	(£96,049,582)	(£62,311,093)	(£29,998,164)	£1,069,200	£30,982,854	£60,269,084	£88,559,619	£116,281,861	£143,139,149	£169,605,225	£195,355,752	£220,920,771
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£225,188,711)	(£183,399,136)	(£144,190,387)	(£107,763,971)	(£73,387,647)	(£40,637,321)	(£9,293,641)	£21,030,410	£50,506,533	£79,087,482	£107,047,809	£134,090,366	£160,761,545	£186,678,259	£212,330,555
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£239,100,059)	(£197,080,598)	(£156,867,904)	(£119,597,701)	(£84,643,139)	(£51,478,598)	(£19,771,633)	£10,981,396	£40,624,919	£69,588,590	£97,688,791	£125,041,582	£151,820,300	£177,996,098	£203,669,730
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£253,011,407)	(£210,991,946)	(£169,988,301)	(£131,794,804)	(£96,175,962)	(£62,517,427)	(£30,258,360)	£789,148	£30,675,637	£59,949,178	£88,224,038	£115,935,995	£142,785,657	£169,246,958	£194,992,237
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£266,922,755)	(£224,903,294)	(£183,226,696)	(£144,210,121)	(£107,890,026)	(£73,587,229)	(£40,877,461)	(£9,562,131)	£20,726,355	£50,193,331	£78,751,901	£106,706,562	£133,736,873	£160,405,954	£186,314,743
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v18 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
29 May 2019

APPRAISAL SUMMARY — DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
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Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**
OUTLAY					
ACQUISITION COSTS					
Fixed Price		112,700,000			
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000		
					112,700,000
Stamp Duty			5,626,000		
Effective Stamp Duty Rate		4.99%			
Agent Fee		1.50%	1,690,500		
Legal Fee		0.75%	845,250		
					8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,003,846,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		15.00%	194,091,064	
				215,970,480
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			81,386,862	
Construction			40,238,425	
Total Finance Cost				121,625,288
TOTAL COSTS				**1,584,322,433**
PROFIT				
				25,557,469

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v18 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£126,823,242)	(£91,101,631)	(£57,343,465)	(£24,984,067)	£6,125,813	£36,130,887	£65,486,691	£93,894,588	£121,759,000	£148,737,442	£175,375,472	£201,298,787	£226,956,083	£252,233,038	£277,035,720
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£139,238,897)	(£102,816,021)	(£68,424,886)	(£35,649,158)	(£4,260,723)	£26,161,206	£55,685,796	£84,421,895	£112,454,216	£139,688,658	£166,450,339	£192,611,886	£218,290,258	£243,731,789	£268,707,446
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£151,916,617)	(£114,655,589)	(£79,695,498)	(£46,507,393)	(£14,742,256)	£16,073,538	£45,772,952	£74,858,650	£103,031,145	£130,606,237	£157,432,734	£183,856,151	£209,612,765	£235,194,029	£260,316,643
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£165,031,456)	(£126,843,252)	(£91,229,387)	(£57,549,799)	(£25,239,192)	£5,847,479	£35,823,670	£65,169,114	£93,559,008	£121,416,308	£148,383,950	£175,019,881	£200,935,271	£226,592,937	£251,869,362
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£178,277,575)	(£139,258,293)	(£102,942,075)	(£68,624,448)	(£35,885,776)	(£4,527,092)	£25,860,836	£55,374,679	£84,086,871	£112,115,531	£139,335,166	£166,096,360	£192,249,869	£217,926,743	£243,368,527
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£191,887,016)	(£151,852,321)	(£114,741,133)	(£79,861,657)	(£46,723,646)	(£15,007,590)	£15,784,845	£45,465,736	£74,533,874	£102,695,564	£130,257,218	£157,079,242	£183,497,884	£209,249,249	£234,831,208
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£205,792,964)	(£164,913,430)	(£126,872,308)	(£91,362,105)	(£57,756,133)	(£25,498,170)	£5,569,146	£35,516,454	£64,851,536	£93,223,427	£121,073,616	£148,030,458	£174,664,290	£200,571,755	£226,229,791
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£219,704,312)	(£178,119,139)	(£139,278,026)	(£103,068,129)	(£68,825,898)	(£36,125,915)	(£4,795,582)	£25,557,469	£55,063,561	£83,751,290	£111,776,847	£138,981,674	£165,742,380	£191,887,852	£217,563,227
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£233,615,659)	(£191,633,051)	(£151,805,497)	(£114,834,495)	(£80,033,453)	(£46,944,307)	(£15,272,924)	£15,492,910	£45,158,519	£74,209,098	£102,359,983	£129,907,754	£156,725,749	£183,139,617	£208,885,733
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£247,527,007)	(£205,507,546)	(£164,795,405)	(£126,910,309)	(£91,499,412)	(£57,962,466)	(£25,758,366)	£5,290,812	£35,209,237	£64,533,959	£92,887,846	£120,730,150	£147,676,966	£174,308,699	£200,208,240
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£261,438,355)	(£219,418,894)	(£177,976,760)	(£139,297,760)	(£103,194,184)	(£69,032,232)	(£36,366,055)	(£5,064,072)	£25,254,103	£54,750,434	£83,415,709	£111,438,162	£138,628,182	£165,388,400	£191,525,835
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£275,349,702)	(£233,330,242)	(£191,404,225)	(£151,774,493)	(£114,935,758)	(£80,207,505)	(£47,164,968)	(£15,538,257)	£15,200,644	£44,851,302	£73,884,222	£102,024,402	£129,558,291	£156,372,257	£182,781,350
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£289,261,050)	(£247,241,589)	(£205,222,128)	(£164,677,379)	(£126,957,298)	(£91,639,597)	(£58,168,800)	(£26,019,791)	£5,009,285	£34,902,020	£64,215,888	£92,552,265	£120,385,927	£147,323,474	£173,953,107
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£303,172,398)	(£261,152,937)	(£219,133,476)	(£177,849,318)	(£139,317,494)	(£103,320,238)	(£69,238,566)	(£36,609,903)	(£5,332,562)	£24,950,736	£54,437,233	£83,080,128	£111,099,478	£138,274,690	£165,034,102
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£317,083,746)	(£275,064,285)	(£233,044,824)	(£191,197,434)	(£151,758,082)	(£115,044,496)	(£80,386,993)	(£47,388,707)	(£15,803,591)	£14,908,377	£44,544,085	£73,556,864	£101,688,822	£129,208,828	£156,018,765
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Appendix II: SGO Sensitivity Testing – Appraisal Summaries: Grant Funded

DixonSearle Partnership

Eastleigh BC - Strategic Growth Option
Base Appraisal v19 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
20% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v19 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,550,824,673**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,549,818,614**
NET REALISATION			**1,549,818,614**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)		80,500,000	
			80,500,000
Stamp Duty		4,016,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,207,500	
Legal Fee	0.75%	603,750	
			5,827,250

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v19 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	335,408.88	1,202.01	403,164,828	
Affordable Housing	151,600.50	1,202.01	182,225,317	
Totals	**492,428.70 m²**		**592,181,791**	
Contingency		5.00%	30,588,365	
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000	
Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
				270,173,913
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			39,253,159	
Construction			21,894,106	
Total Finance Cost				61,147,265
TOTAL COSTS				**1,472,025,400**
PROFIT				
				77,793,214

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v19 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£39,770,524)	(£12,401,175)	£13,963,370	£39,530,113	£64,409,592	£88,526,260	£112,308,313	£135,551,860	£158,244,319	£180,507,534	£202,506,938	£224,282,455	£245,817,238	£267,299,216	£288,702,204
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£49,387,719)	(£21,804,316)	£4,847,298	£30,759,380	£55,765,438	£80,173,748	£104,032,224	£127,472,433	£150,338,529	£172,729,251	£194,819,646	£216,642,630	£238,259,648	£259,741,626	£281,198,960
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£59,150,070)	(£31,333,961)	(£4,282,689)	£21,851,233	£47,056,838	£71,753,516	£95,686,581	£119,319,084	£142,378,242	£164,916,864	£187,086,423	£208,979,879	£230,694,223	£252,184,035	£273,665,715
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£69,076,146)	(£40,909,268)	(£13,551,758)	£12,798,060	£38,348,237	£63,226,536	£87,335,352	£111,118,265	£134,357,443	£157,047,710	£179,313,549	£201,317,128	£223,092,887	£244,626,445	£266,108,423
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£79,148,656)	(£50,517,010)	(£22,948,631)	£3,681,989	£29,584,625	£54,583,562	£78,984,122	£102,841,719	£126,280,607	£149,143,248	£171,535,265	£193,628,479	£215,452,820	£237,068,855	£258,550,833
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£89,244,190)	(£60,268,014)	(£32,472,705)	(£5,442,744)	£20,681,984	£45,874,962	£70,567,459	£94,495,673	£118,128,705	£141,183,898	£163,721,713	£185,893,491	£207,790,069	£229,503,952	£250,993,243
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£99,489,814)	(£70,181,385)	(£42,048,012)	(£14,702,342)	£11,632,751	£37,166,362	£62,043,480	£86,144,443	£109,928,217	£133,163,025	£155,851,101	£178,119,563	£200,127,317	£221,903,320	£243,435,652
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£109,954,026)	(£80,247,888)	(£51,648,555)	(£24,092,947)	£2,516,680	£28,409,869	£53,401,686	£77,793,214	£101,651,215	£125,088,782	£147,947,966	£170,341,280	£192,437,230	£214,263,010	£235,878,062
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£120,598,494)	(£90,338,548)	(£61,385,959)	(£33,611,448)	(£6,604,893)	£19,512,736	£44,693,086	£69,381,402	£93,304,765	£116,938,326	£139,989,554	£162,526,561	£184,700,558	£206,600,258	£228,313,681
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£131,290,270)	(£100,562,952)	(£71,286,623)	(£43,186,756)	(£15,852,925)	£10,467,442	£35,984,486	£60,860,424	£84,953,535	£108,738,169	£131,968,608	£154,654,493	£176,925,577	£198,937,507	£220,713,753
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£142,231,589)	(£111,005,795)	(£81,347,121)	(£52,780,099)	(£25,237,262)	£1,351,370	£27,234,273	£52,219,811	£76,602,305	£100,460,710	£123,896,956	£146,752,685	£169,147,294	£191,245,981	£213,073,199
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£153,456,122)	(£121,641,810)	(£91,434,694)	(£62,503,904)	(£34,750,192)	(£7,767,526)	£18,343,487	£43,511,210	£68,195,345	£92,113,857	£115,747,947	£138,795,210	£161,331,409	£183,507,626	£205,410,448
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£164,754,052)	(£132,317,465)	(£101,638,291)	(£72,392,172)	(£44,325,500)	(£17,005,126)	£9,302,133	£34,802,610	£59,677,368	£83,762,627	£107,548,122	£130,774,191	£153,457,884	£175,731,591	£197,747,697
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£176,356,781)	(£143,223,133)	(£112,058,106)	(£82,446,353)	(£53,911,927)	(£26,381,577)	£186,061	£26,057,883	£51,037,935	£75,411,397	£99,270,205	£122,705,130	£145,557,403	£167,953,308	£190,054,732
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£188,284,270)	(£154,423,114)	(£122,685,126)	(£92,533,926)	(£63,625,136)	(£35,888,936)	(£8,930,159)	£17,174,239	£42,329,335	£67,009,288	£90,922,948	£114,557,568	£137,600,866	£160,136,258	£182,314,693
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
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Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v20 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
20% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v20 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,550,824,673**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,549,818,614**
NET REALISATION			**1,549,818,614**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
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	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	335,408.88	1,202.01	403,164,828	
Affordable Housing	151,600.50	1,202.01	182,225,317	
Totals	**492,428.70 m²**		**592,181,791**	
Contingency		5.00%	30,588,365	
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000	
Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				968,757,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
				270,173,913
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			51,417,380	
Construction			22,314,063	
Total Finance Cost				73,731,443
TOTAL COSTS				**1,502,776,829**
PROFIT				
				47,041,785

Performance Measures

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Eastleigh BC - Strategic Growth Option
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Table of Profit Amount and Land Cost

Construction: Rate /m² \ Sales: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£76,225,788)	(£47,514,820)	(£19,878,577)	£6,921,535	£32,975,807	£58,114,137	£82,806,307	£106,757,850	£130,453,581	£153,610,342	£176,198,991	£198,459,847	£220,420,221	£242,189,830	£263,724,453
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£86,329,668)	(£57,303,270)	(£29,435,003)	(£2,258,392)	£23,980,110	£49,405,536	£74,274,961	£98,406,620	£122,224,882	£145,566,998	£168,309,076	£190,681,563	£212,742,219	£234,555,103	£256,166,863
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£96,592,992)	(£67,247,148)	(£39,010,311)	(£11,582,053)	£14,872,297	£40,665,777	£65,640,269	£90,049,690	£113,918,171	£137,445,889	£160,389,100	£182,867,798	£205,024,928	£226,893,162	£248,600,108
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£107,063,628)	(£77,325,021)	(£48,642,887)	(£21,020,949)	£5,756,226	£31,805,330	£56,932,261	£81,620,581	£105,566,942	£129,263,202	£152,415,998	£175,002,382	£197,265,861	£219,230,411	£241,000,169
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£117,707,755)	(£87,421,472)	(£58,417,941)	(£30,573,747)	(£3,413,541)	£22,813,676	£48,223,661	£73,091,905	£97,215,712	£121,034,808	£144,374,441	£167,112,467	£189,487,578	£211,551,592	£233,365,486
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£128,395,359)	(£97,663,688)	(£68,350,543)	(£40,149,055)	(£12,730,457)	£13,706,988	£39,489,387	£64,458,269	£88,860,174	£112,727,263	£136,255,158	£159,194,268	£181,672,647	£203,832,908	£225,703,352
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£139,318,610)	(£108,115,199)	(£78,424,253)	(£49,770,955)	(£22,163,321)	£4,590,917	£30,633,957	£55,750,385	£80,434,524	£104,376,033	£128,072,823	£151,221,654	£173,805,773	£196,071,875	£218,040,601
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£150,521,377)	(£118,751,070)	(£88,515,829)	(£59,534,278)	(£31,712,491)	(£4,569,926)	£21,646,591	£47,041,785	£71,908,849	£96,024,804	£119,844,733	£143,181,884	£165,915,858	£188,293,536	£210,360,965
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£161,805,131)	(£129,424,463)	(£98,738,558)	(£69,455,782)	(£41,287,798)	(£13,878,861)	£12,541,679	£38,311,457	£63,276,268	£87,670,659	£111,536,355	£135,064,427	£157,999,435	£180,477,495	£202,640,888
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£173,345,761)	(£140,312,083)	(£109,167,511)	(£79,523,485)	(£50,899,100)	(£23,305,693)	£3,425,607	£29,462,145	£54,568,509	£79,248,467	£103,185,125	£126,882,444	£150,027,310	£172,609,165	£194,877,889
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£185,238,362)	(£151,488,369)	(£119,794,386)	(£89,611,058)	(£60,652,222)	(£32,851,235)	(£5,727,500)	£20,479,507	£45,859,909	£70,725,793	£94,833,896	£118,654,659	£141,989,327	£164,719,250	£187,099,299
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£197,243,467)	(£162,763,347)	(£130,456,459)	(£99,813,897)	(£70,561,020)	(£42,426,542)	(£15,027,265)	£11,376,370	£37,133,350	£62,094,267	£86,481,143	£110,345,447	£133,873,479	£156,804,491	£179,282,343
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£209,689,611)	(£174,248,205)	(£141,310,814)	(£110,222,407)	(£80,622,718)	(£52,030,645)	(£24,448,066)	£2,260,298	£28,290,333	£53,386,634	£78,062,410	£101,994,217	£125,692,065	£148,832,965	£171,412,556
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£222,374,302)	(£186,104,044)	(£152,455,361)	(£120,837,702)	(£90,710,290)	(£61,770,167)	(£33,989,979)	(£6,885,073)	£19,312,423	£44,678,033	£69,542,737	£93,642,987	£117,464,585	£140,796,770	£163,522,641
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£235,296,807)	(£198,074,405)	(£163,729,476)	(£131,493,353)	(£100,892,097)	(£71,666,259)	(£43,565,286)	(£16,177,112)	£10,211,060	£35,955,243	£60,912,267	£85,291,627	£109,154,538	£132,682,267	£155,609,210
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
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Heading	Phase	Rate	No. of Steps
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Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
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Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
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Eastleigh BC - Strategic Growth Option
Base Appraisal v21 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v21 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE				**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059	
Effective Purchaser's Costs Rate		5.85%		1,006,059
NET DEVELOPMENT VALUE				**1,549,818,614**
NET REALISATION				**1,549,818,614**
OUTLAY				
ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v21 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	335,408.88	1,202.01	403,164,828	
Affordable Housing	151,600.50	1,202.01	182,225,317	
Totals	**492,428.70 m²**		**592,181,791**	
Contingency		5.00%	30,588,365	
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000	
Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				969,657,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
				270,173,913
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			65,254,163	
Construction			22,735,900	
Total Finance Cost				87,990,062
TOTAL COSTS				**1,535,202,698**
PROFIT				
				14,615,916

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v21 May 2019 Update

Table of Profit Amount and Land Cost

Construction: Rate /m² \ Sales: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£114,817,015)	(£84,507,327)	(£55,457,622)	(£27,536,046)	(£261,891)	£26,062,606	£51,738,413	£76,694,077	£101,113,293	£124,989,440	£148,588,409	£171,630,374	£194,153,663	£216,407,939	£238,333,504
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£125,500,946)	(£94,766,867)	(£65,420,184)	(£37,111,353)	(£9,627,514)	£16,946,534	£42,912,424	£67,989,560	£92,671,853	£116,638,210	£140,389,577	£163,642,758	£186,263,748	£208,632,935	£230,662,779
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£136,406,471)	(£105,224,604)	(£75,501,385)	(£46,772,640)	(£19,105,498)	£7,823,464	£33,967,403	£59,280,960	£84,140,329	£108,286,981	£132,129,240	£155,557,502	£178,369,115	£200,818,732	£222,957,691
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£147,586,632)	(£115,860,331)	(£85,598,753)	(£56,572,294)	(£28,674,790)	(£1,414,711)	£24,897,297	£50,560,306	£75,512,077	£99,925,047	£123,798,532	£147,398,030	£170,435,541	£192,957,054	£215,215,006
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£158,863,067)	(£126,531,461)	(£95,838,825)	(£66,522,385)	(£38,250,097)	(£10,773,829)	£15,781,225	£41,739,194	£66,807,684	£91,486,719	£115,447,302	£139,199,428	£162,449,410	£185,067,139	£207,438,697
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£170,347,633)	(£137,404,389)	(£106,276,916)	(£76,600,618)	(£47,898,055)	(£20,246,014)	£6,660,831	£32,799,279	£58,099,084	£82,957,273	£107,096,072	£130,939,014	£154,365,676	£177,173,242	£199,623,581
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£182,192,454)	(£148,553,624)	(£116,903,647)	(£86,693,111)	(£57,686,965)	(£29,813,534)	(£2,567,531)	£23,731,987	£49,381,801	£74,330,076	£98,736,116	£122,607,624	£146,207,651	£169,240,709	£191,760,445
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£194,159,773)	(£159,827,739)	(£127,564,850)	(£96,914,164)	(£67,624,940)	(£39,388,841)	(£11,920,144)	£14,615,916	£40,565,965	£65,625,808	£90,301,584	£114,256,394	£138,009,279	£161,256,063	£183,870,530
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£206,483,144)	(£171,259,940)	(£138,405,182)	(£107,331,070)	(£77,699,850)	(£49,026,123)	(£21,386,529)	£5,498,198	£31,631,155	£56,917,208	£81,774,217	£105,905,164	£129,748,787	£153,173,850	£175,977,369
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£219,153,799)	(£183,058,136)	(£149,520,616)	(£117,946,962)	(£87,787,469)	(£58,801,637)	(£30,952,278)	(£3,720,351)	£22,566,678	£48,201,865	£73,148,075	£97,546,600	£121,416,715	£145,017,272	£168,045,876
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£231,986,495)	(£195,009,424)	(£160,794,731)	(£128,601,744)	(£97,989,504)	(£68,730,179)	(£40,527,585)	(£13,066,459)	£13,450,606	£39,392,735	£64,443,933	£89,115,531	£113,065,486	£136,819,130	£160,062,716
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£245,208,257)	(£207,243,113)	(£172,180,662)	(£139,410,293)	(£108,387,952)	(£78,799,082)	(£50,154,190)	(£22,527,045)	£4,334,535	£30,463,031	£55,735,332	£80,591,161	£104,714,256	£128,558,561	£151,982,025
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£258,596,767)	(£219,887,995)	(£183,923,818)	(£150,491,007)	(£118,990,278)	(£88,886,655)	(£59,918,486)	(£32,091,021)	(£4,873,170)	£21,401,369	£47,021,930	£71,966,075	£96,357,085	£120,225,807	£143,826,893
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£271,985,277)	(£232,657,574)	(£195,872,522)	(£161,761,723)	(£129,643,989)	(£99,068,914)	(£69,835,417)	(£41,666,329)	(£14,213,100)	£12,285,297	£38,219,505	£63,262,057	£87,929,474	£111,874,577	£135,628,981
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£285,373,786)	(£245,783,390)	(£208,019,891)	(£173,109,427)	(£140,420,476)	(£109,445,224)	(£79,898,315)	(£51,282,257)	(£23,667,670)	£3,169,226	£29,294,188	£54,553,457	£79,408,105	£103,523,348	£127,368,335
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v22 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
17.5% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v22 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE				**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059	
Effective Purchaser's Costs Rate		5.85%		1,006,059
NET DEVELOPMENT VALUE				**1,549,818,614**
NET REALISATION				**1,549,818,614**
OUTLAY				
ACQUISITION COSTS				
Fixed Price		80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)			80,500,000	
				80,500,000
Stamp Duty			4,016,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,207,500	
Legal Fee		0.75%	603,750	
				5,827,250

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v22 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	335,408.88	1,202.01	403,164,828	
Affordable Housing	151,600.50	1,202.01	182,225,317	
Totals	**492,428.70 m²**		**592,181,791**	
Contingency		5.00%	30,588,365	
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000	
Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		17.50%	217,827,186	
				239,055,744
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			39,253,159	
Construction			21,894,106	
Total Finance Cost				61,147,265
TOTAL COSTS				**1,440,907,231**
PROFIT				
				108,911,383

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v22 May 2019 Update

Table of Profit Amount and Land Cost

Construction: Rate /m² \ Sales: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£11,556,686)	£16,227,568	£43,007,017	£68,988,665	£94,283,048	£118,814,620	£143,011,578	£166,670,030	£189,777,393	£212,455,513	£234,869,821	£257,060,242	£279,009,930	£300,906,812	£322,724,705
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£21,173,881)	£6,824,426	£33,890,945	£60,217,932	£85,638,894	£110,462,109	£134,735,489	£158,590,602	£181,871,603	£204,677,230	£227,182,529	£249,420,418	£271,452,340	£293,349,222	£315,221,461
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£30,936,232)	(£2,705,218)	£24,760,958	£51,309,784	£76,930,294	£102,041,876	£126,389,846	£150,437,253	£173,911,316	£196,864,843	£219,449,306	£241,757,666	£263,886,915	£285,791,632	£307,688,216
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£40,862,308)	(£12,280,526)	£15,491,889	£42,256,612	£68,221,693	£93,514,897	£118,038,616	£142,236,435	£165,890,517	£188,995,689	£211,676,432	£234,094,915	£256,285,579	£278,234,042	£300,130,924
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£50,934,818)	(£21,888,267)	£6,095,016	£33,140,540	£59,458,081	£84,871,922	£109,687,387	£133,959,889	£157,813,681	£181,091,226	£203,898,148	£226,406,266	£248,645,512	£270,676,452	£292,573,334
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£61,030,352)	(£31,639,272)	(£3,429,058)	£24,015,808	£50,555,440	£76,163,322	£101,270,724	£125,613,842	£149,661,779	£173,131,877	£196,084,596	£218,671,278	£240,982,761	£263,111,548	£285,015,743
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£71,275,976)	(£41,552,642)	(£13,004,365)	£14,756,210	£41,506,207	£67,454,722	£92,746,745	£117,262,613	£141,461,291	£165,111,004	£188,213,984	£210,897,350	£233,320,009	£255,510,916	£277,458,153
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£81,740,188)	(£51,619,146)	(£22,604,908)	£5,365,605	£32,390,136	£58,698,230	£84,104,951	£108,911,383	£133,184,288	£157,036,760	£180,310,849	£203,119,067	£225,629,922	£247,870,606	£269,900,563
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£92,384,656)	(£61,709,805)	(£32,342,312)	(£4,152,897)	£23,268,563	£49,801,096	£75,396,351	£100,499,571	£124,837,839	£148,886,304	£172,352,437	£195,304,348	£217,893,250	£240,207,855	£262,336,182
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£103,076,433)	(£71,934,209)	(£42,242,976)	(£13,728,204)	£14,020,531	£40,755,802	£66,687,751	£91,978,594	£116,486,609	£140,686,148	£164,331,491	£187,432,280	£210,118,269	£232,545,103	£254,736,254
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£114,017,751)	(£82,377,052)	(£52,303,474)	(£23,321,548)	£4,636,194	£31,639,731	£57,937,538	£83,337,980	£108,135,379	£132,408,688	£156,259,839	£179,530,472	£202,339,986	£224,853,577	£247,095,700
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£125,242,284)	(£93,013,067)	(£62,391,047)	(£33,045,352)	(£4,876,736)	£22,520,835	£49,046,752	£74,629,380	£99,728,419	£124,061,835	£148,110,830	£171,572,997	£194,524,101	£217,115,222	£239,432,949
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£136,540,214)	(£103,688,723)	(£72,594,644)	(£42,933,621)	(£14,452,044)	£13,283,235	£40,005,398	£65,920,780	£91,210,442	£115,710,605	£139,911,004	£163,551,978	£186,650,576	£209,339,187	£231,770,198
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£148,142,943)	(£114,594,391)	(£83,014,460)	(£52,987,802)	(£24,038,471)	£3,906,783	£30,889,326	£57,176,052	£82,571,009	£107,359,376	£131,633,088	£155,482,918	£178,750,095	£201,560,904	£224,077,233
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£160,070,432)	(£125,794,371)	(£93,641,479)	(£63,075,374)	(£33,751,680)	(£5,600,576)	£21,773,106	£48,292,408	£73,862,409	£98,957,267	£123,285,831	£147,335,356	£170,793,558	£193,743,854	£216,337,194
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v23 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
17.5% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
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Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,550,824,673**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,549,818,614**
NET REALISATION			**1,549,818,614**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
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	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	335,408.88	1,202.01	403,164,828	
Affordable Housing	151,600.50	1,202.01	182,225,317	
Totals	**492,428.70 m²**		**592,181,791**	
Contingency		5.00%	30,588,365	
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000	
Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				968,757,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		17.50%	217,827,186	
				239,055,744
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			51,417,380	
Construction			22,314,063	
Total Finance Cost				73,731,443
TOTAL COSTS				**1,471,658,659**
PROFIT				
				78,159,954

Performance Measures

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Eastleigh BC - Strategic Growth Option
Base Appraisal v23 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£48,011,950)	(£18,886,078)	£9,165,070	£36,380,087	£62,849,263	£88,402,497	£113,509,572	£137,876,019	£161,986,655	£185,558,320	£208,561,874	£231,237,634	£253,612,913	£275,797,426	£297,746,954
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£58,115,830)	(£28,674,527)	(£391,356)	£27,200,160	£53,853,566	£79,693,897	£104,978,226	£129,524,790	£153,757,956	£177,514,977	£200,671,959	£223,459,351	£245,934,911	£268,162,700	£290,189,364
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£68,379,154)	(£38,618,405)	(£9,966,664)	£17,876,498	£44,745,753	£70,954,137	£96,343,534	£121,167,859	£145,451,245	£169,393,867	£192,751,983	£215,645,586	£238,217,620	£260,500,759	£282,622,609
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£78,849,790)	(£48,696,278)	(£19,599,240)	£8,437,602	£35,629,682	£62,093,690	£87,635,526	£112,738,750	£137,100,016	£161,211,181	£184,778,881	£207,780,169	£230,458,553	£252,838,007	£275,022,670
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£89,493,917)	(£58,792,729)	(£29,374,294)	(£1,115,196)	£26,459,915	£53,102,036	£78,926,926	£104,210,074	£128,748,786	£152,982,786	£176,737,324	£199,890,255	£222,680,270	£245,159,188	£267,387,987
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£100,181,521)	(£69,034,946)	(£39,306,896)	(£10,690,503)	£17,142,999	£43,995,349	£70,192,652	£95,576,438	£120,393,248	£144,675,242	£168,618,041	£191,972,055	£214,865,339	£237,440,505	£259,725,853
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£111,104,772)	(£79,486,457)	(£49,380,606)	(£20,312,403)	£7,710,135	£34,879,277	£61,337,222	£86,868,555	£111,967,598	£136,324,012	£160,435,706	£183,999,441	£206,998,465	£229,679,471	£252,063,101
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£122,307,539)	(£90,122,328)	(£59,472,183)	(£30,075,726)	(£1,839,035)	£25,718,434	£52,349,856	£78,159,954	£103,441,923	£127,972,782	£152,207,616	£175,959,671	£199,108,550	£221,901,133	£244,383,466
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£133,591,293)	(£100,795,721)	(£69,694,911)	(£39,997,230)	(£11,414,343)	£16,409,500	£43,244,944	£69,429,627	£94,809,342	£119,618,637	£143,899,238	£167,842,214	£191,192,127	£214,085,092	£236,663,389
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£145,131,923)	(£111,683,341)	(£80,123,864)	(£50,064,934)	(£21,025,644)	£6,982,667	£34,128,872	£60,580,315	£86,101,583	£111,196,445	£135,548,008	£159,660,232	£183,220,002	£206,216,761	£228,900,390
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£157,024,524)	(£122,859,626)	(£90,750,739)	(£60,152,507)	(£30,778,766)	(£2,562,875)	£24,975,765	£51,597,676	£77,392,983	£102,673,771	£127,196,778	£151,432,446	£175,182,019	£198,326,846	£221,121,800
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£169,029,629)	(£134,134,604)	(£101,412,812)	(£70,355,346)	(£40,687,564)	(£12,138,182)	£15,676,000	£42,494,539	£68,666,424	£94,042,246	£118,844,026	£143,123,234	£167,066,171	£190,412,087	£213,304,844
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£181,475,773)	(£145,619,462)	(£112,267,167)	(£80,763,856)	(£50,749,262)	(£21,742,285)	£6,255,199	£33,378,467	£59,823,407	£85,334,612	£110,425,293	£134,772,004	£158,884,757	£182,440,562	£205,435,057
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£194,160,464)	(£157,475,302)	(£123,411,714)	(£91,379,150)	(£60,836,835)	(£31,481,807)	(£3,286,714)	£24,233,096	£50,845,497	£76,626,012	£101,905,620	£126,420,775	£150,657,276	£174,404,366	£197,545,142
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£207,082,969)	(£169,445,662)	(£134,685,829)	(£102,034,801)	(£71,018,641)	(£41,377,899)	(£12,862,021)	£14,941,057	£41,744,134	£67,903,221	£93,275,150	£118,069,415	£142,347,230	£166,289,863	£189,631,710
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v24 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
17.5% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
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Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE				**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059	
Effective Purchaser's Costs Rate		5.85%		1,006,059
NET DEVELOPMENT VALUE				**1,549,818,614**
NET REALISATION				**1,549,818,614**
OUTLAY				
ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
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	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	335,408.88	1,202.01	403,164,828	
Affordable Housing	151,600.50	1,202.01	182,225,317	
Totals	**492,428.70 m²**		**592,181,791**	
Contingency		5.00%	30,588,365	
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000	
Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				969,657,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		17.50%	217,827,186	
				239,055,744
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			65,254,163	
Construction			22,735,900	
Total Finance Cost				87,990,062
TOTAL COSTS				**1,504,084,529**
PROFIT				
				45,734,085

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v24 May 2019 Update

Table of Profit Amount and Land Cost

Construction: Rate /m²	Sales: Rate /m²														
	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£86,603,177)	(£55,878,584)	(£26,413,975)	£1,922,506	£29,611,565	£56,350,966	£82,441,678	£107,812,247	£132,646,367	£156,937,418	£180,951,292	£204,408,162	£227,346,355	£250,015,535	£272,356,005
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£97,287,108)	(£66,138,124)	(£36,376,537)	(£7,652,802)	£20,245,942	£47,234,895	£73,615,689	£99,107,729	£124,204,927	£148,586,189	£172,752,460	£196,420,545	£219,456,440	£242,240,531	£264,685,280
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£108,192,633)	(£76,595,862)	(£46,457,738)	(£17,314,089)	£10,767,958	£38,111,824	£64,670,668	£90,399,129	£115,673,403	£140,234,959	£164,492,123	£188,335,289	£211,561,807	£234,426,329	£256,980,192
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£119,372,794)	(£87,231,588)	(£56,555,106)	(£27,113,742)	£1,198,666	£28,873,649	£55,600,562	£81,678,476	£107,045,151	£131,873,025	£156,161,415	£180,175,817	£203,628,233	£226,564,650	£249,237,507
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£130,649,229)	(£97,902,719)	(£66,795,178)	(£37,063,834)	(£8,376,641)	£19,514,532	£46,484,490	£72,857,364	£98,340,758	£123,434,697	£147,810,185	£171,977,216	£195,642,102	£218,674,735	£241,461,198
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£142,133,795)	(£108,775,646)	(£77,233,269)	(£47,142,066)	(£18,024,600)	£10,042,347	£37,364,096	£63,917,449	£89,632,158	£114,905,251	£139,458,955	£163,716,801	£187,558,368	£210,780,838	£233,646,082
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£153,978,616)	(£119,924,882)	(£87,860,000)	(£57,234,560)	(£27,813,509)	£474,827	£28,135,734	£54,850,157	£80,914,875	£106,278,054	£131,098,999	£155,385,411	£179,400,343	£202,848,305	£225,782,946
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£165,945,935)	(£131,198,997)	(£98,521,203)	(£67,455,613)	(£37,751,484)	(£9,100,481)	£18,783,121	£45,734,085	£72,099,038	£97,573,787	£122,664,467	£147,034,181	£171,201,971	£194,863,660	£217,893,031
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£178,269,306)	(£142,631,197)	(£109,361,535)	(£77,872,518)	(£47,826,394)	(£18,737,762)	£9,316,736	£36,616,368	£63,164,229	£88,865,187	£114,137,100	£138,682,952	£162,941,479	£186,781,447	£209,999,870
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£190,939,961)	(£154,429,393)	(£120,476,969)	(£88,488,411)	(£57,914,013)	(£28,513,277)	(£249,013)	£27,397,819	£54,099,752	£80,149,844	£105,510,958	£130,324,388	£154,609,407	£178,624,868	£202,068,377
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£203,772,657)	(£166,380,681)	(£131,751,084)	(£99,143,193)	(£68,116,048)	(£38,441,818)	(£9,824,320)	£18,051,711	£44,983,680	£71,340,713	£96,806,816	£121,893,319	£146,258,178	£170,426,726	£194,085,217
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£216,994,419)	(£178,614,370)	(£143,137,015)	(£109,951,742)	(£78,514,496)	(£48,510,722)	(£19,450,925)	£8,591,125	£35,867,609	£62,411,010	£88,098,215	£113,368,949	£137,906,948	£162,166,157	£186,004,526
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£230,382,929)	(£191,259,252)	(£154,880,171)	(£121,032,456)	(£89,116,822)	(£58,598,295)	(£29,215,221)	(£972,852)	£26,659,904	£53,349,347	£79,384,813	£104,743,862	£129,549,776	£153,833,404	£177,849,394
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£243,771,439)	(£204,028,831)	(£166,828,875)	(£132,303,171)	(£99,770,533)	(£68,780,553)	(£39,132,152)	(£10,548,159)	£17,319,974	£44,233,276	£70,582,388	£96,039,844	£121,122,166	£145,482,174	£169,651,482
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£257,159,949)	(£217,154,647)	(£178,976,244)	(£143,650,876)	(£110,547,020)	(£79,156,864)	(£49,195,050)	(£20,164,088)	£7,865,404	£35,117,204	£61,657,071	£87,331,244	£112,600,797	£137,130,944	£161,390,835
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v25 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
15% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v25 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,550,824,673**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,549,818,614**
NET REALISATION			**1,549,818,614**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)		80,500,000	
			80,500,000
Stamp Duty		4,016,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,207,500	
Legal Fee	0.75%	603,750	
			5,827,250

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v25 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	335,408.88	1,202.01	403,164,828	
Affordable Housing	151,600.50	1,202.01	182,225,317	
Totals	**492,428.70 m²**		**592,181,791**	
Contingency		5.00%	30,588,365	
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000	
Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		15.00%	186,709,017	
				207,937,574
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			39,253,159	
Construction			21,894,106	
Total Finance Cost				61,147,265
TOTAL COSTS				**1,409,789,061**
PROFIT				
				140,029,552

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v25 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	£16,657,152	£44,856,310	£72,050,664	£98,447,216	£124,156,504	£149,102,981	£173,714,843	£197,788,199	£221,310,467	£244,403,491	£267,232,704	£289,838,029	£312,202,622	£334,514,409	£356,747,206
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	£7,039,957	£35,453,169	£62,934,592	£89,676,483	£115,512,350	£140,750,469	£165,438,754	£189,708,772	£213,404,677	£236,625,208	£259,545,412	£282,198,205	£304,645,032	£326,956,818	£349,243,962
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£2,722,394)	£25,923,524	£53,804,605	£80,768,336	£106,803,749	£132,330,237	£157,093,111	£181,555,423	£205,444,390	£228,812,821	£251,812,189	£274,535,454	£297,079,607	£319,399,228	£341,710,717
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£12,648,470)	£16,348,217	£44,535,536	£71,715,163	£98,095,149	£123,803,257	£148,741,881	£173,354,604	£197,423,591	£220,943,667	£244,039,314	£266,872,702	£289,478,271	£311,841,638	£334,153,425
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£22,720,980)	£6,740,475	£35,138,662	£62,599,092	£89,331,537	£115,160,283	£140,390,652	£165,078,058	£189,346,755	£213,039,205	£236,261,031	£259,184,054	£281,838,204	£304,284,048	£326,595,835
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£32,816,514)	(£3,010,530)	£25,614,589	£53,474,359	£80,428,896	£106,451,683	£131,973,989	£156,732,012	£181,194,853	£205,079,855	£228,447,479	£251,449,065	£274,175,452	£296,719,145	£319,038,244
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£43,062,138)	(£12,923,900)	£16,039,282	£44,214,761	£71,379,663	£97,743,082	£123,450,010	£148,380,782	£172,994,365	£197,058,982	£220,576,867	£243,675,138	£266,512,701	£289,118,513	£311,480,654
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£53,526,350)	(£22,990,404)	£6,438,739	£34,824,156	£62,263,591	£88,986,590	£114,808,216	£140,029,552	£164,717,362	£188,984,738	£212,673,732	£235,896,854	£258,822,614	£281,478,203	£303,923,064
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£64,170,818)	(£33,081,063)	(£3,298,665)	£25,305,654	£53,142,019	£80,089,456	£106,099,616	£131,617,741	£156,370,913	£180,834,283	£204,715,320	£228,082,136	£251,085,942	£273,815,451	£296,358,682
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£74,862,595)	(£43,305,467)	(£13,199,329)	£15,730,347	£43,893,987	£71,044,163	£97,391,016	£123,096,763	£148,019,683	£172,634,126	£196,694,374	£220,210,068	£243,310,961	£266,152,700	£288,758,754
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£85,803,913)	(£53,748,310)	(£23,259,827)	£6,137,004	£34,509,650	£61,928,091	£88,640,803	£114,456,149	£139,668,453	£164,356,667	£188,622,722	£212,308,260	£235,532,678	£258,461,174	£281,118,201
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£97,028,446)	(£64,384,325)	(£33,347,400)	(£3,586,801)	£24,996,719	£52,809,195	£79,750,017	£105,747,549	£131,261,493	£156,009,813	£180,473,713	£204,350,785	£227,716,793	£250,722,818	£273,455,450
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£108,326,376)	(£75,059,981)	(£43,550,997)	(£13,475,070)	£15,421,412	£43,571,595	£70,708,662	£97,038,949	£122,743,516	£147,658,584	£172,273,887	£196,329,766	£219,843,268	£242,946,784	£265,792,699
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£119,929,105)	(£85,965,648)	(£53,970,813)	(£23,529,250)	£5,834,984	£34,195,143	£61,592,591	£88,294,222	£114,104,083	£139,307,354	£163,995,971	£188,260,705	£211,942,787	£235,168,501	£258,099,734
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£131,856,595)	(£97,165,629)	(£64,597,832)	(£33,616,823)	(£3,878,224)	£24,687,785	£52,476,371	£79,410,577	£105,395,482	£130,905,245	£155,648,714	£180,113,143	£203,986,250	£227,351,451	£250,359,695
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v26 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
15% Profit Private / 6% Profit AH
£3000,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v26 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,550,824,673**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,549,818,614**
NET REALISATION			**1,549,818,614**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v26 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	335,408.88	1,202.01	403,164,828	
Affordable Housing	151,600.50	1,202.01	182,225,317	
Totals	**492,428.70 m²**		**592,181,791**	
Contingency		5.00%	30,588,365	
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000	
Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				968,757,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		15.00%	186,709,017	
				207,937,574
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			51,417,380	
Construction			22,314,063	
Total Finance Cost				73,731,443
TOTAL COSTS				**1,440,540,490**
PROFIT				
				109,278,124

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v26 May 2019 Update

Table of Profit Amount and Land Cost

Construction: Rate /m²	Sales: Rate /m²														
	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£19,798,112)	£9,742,665	£38,208,717	£65,838,638	£92,722,719	£118,690,857	£144,212,837	£168,994,189	£193,519,729	£217,506,299	£240,924,757	£264,015,422	£286,805,605	£309,405,023	£331,769,455
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£29,901,992)	(£45,785)	£28,652,291	£56,658,711	£83,727,022	£109,982,257	£135,681,490	£160,642,959	£185,291,030	£209,462,955	£233,034,842	£256,237,138	£279,127,603	£301,770,296	£324,211,865
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£40,165,316)	(£9,989,663)	£19,076,983	£47,335,050	£74,619,209	£101,242,498	£127,046,799	£152,286,029	£176,984,319	£201,341,846	£225,114,866	£248,423,373	£271,410,312	£294,108,355	£316,645,110
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£50,635,952)	(£20,067,536)	£9,444,406	£37,896,154	£65,503,138	£92,382,051	£118,338,791	£143,856,919	£168,633,089	£193,159,159	£217,141,764	£240,557,957	£263,651,245	£286,445,604	£309,045,170
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£61,280,079)	(£30,163,987)	(£330,647)	£28,343,356	£56,333,371	£83,390,396	£109,630,190	£135,328,244	£160,281,860	£184,930,765	£209,100,207	£232,668,042	£255,872,961	£278,766,785	£301,410,488
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£71,967,683)	(£40,406,203)	(£10,263,249)	£18,768,048	£47,016,455	£74,283,709	£100,895,917	£126,694,608	£151,926,322	£176,623,220	£200,980,924	£224,749,843	£248,058,031	£271,048,101	£293,748,354
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£82,890,935)	(£50,857,715)	(£20,336,959)	£9,146,148	£37,583,591	£65,167,637	£92,040,487	£117,986,724	£143,500,671	£168,271,990	£192,798,589	£216,777,229	£240,191,157	£263,287,068	£286,085,602
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£94,093,701)	(£61,493,585)	(£30,428,536)	(£617,175)	£28,034,421	£56,006,794	£83,053,121	£109,278,124	£134,974,997	£159,920,761	£184,570,499	£208,737,459	£232,301,242	£255,508,729	£278,405,967
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£105,377,455)	(£72,166,979)	(£40,651,264)	(£10,538,679)	£18,459,113	£46,697,860	£73,948,209	£100,547,796	£126,342,416	£151,566,615	£176,262,121	£200,620,002	£224,384,819	£247,692,688	£270,685,890
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£116,918,085)	(£83,054,598)	(£51,080,217)	(£20,606,382)	£8,847,812	£37,271,027	£64,832,137	£91,698,484	£117,634,657	£143,144,424	£167,910,891	£192,438,019	£216,412,693	£239,824,357	£262,922,891
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£128,810,686)	(£94,230,884)	(£61,707,092)	(£30,693,955)	(£905,311)	£27,725,486	£55,679,030	£82,715,846	£108,926,057	£134,621,750	£159,559,661	£184,210,234	£208,374,711	£231,934,443	£255,144,301
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£140,815,791)	(£105,505,862)	(£72,369,165)	(£40,896,794)	(£10,814,108)	£18,150,179	£46,379,265	£73,612,708	£100,199,498	£125,990,224	£151,206,909	£175,901,021	£200,258,863	£224,019,684	£247,327,345
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£153,261,935)	(£116,990,720)	(£83,223,520)	(£51,305,304)	(£20,875,806)	£8,546,076	£36,958,464	£64,496,637	£91,356,481	£117,282,590	£142,788,176	£167,549,792	£192,077,449	£216,048,158	£239,457,558
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£165,946,626)	(£128,846,559)	(£94,368,067)	(£61,920,599)	(£30,963,379)	(£1,193,446)	£27,416,551	£55,351,266	£82,378,571	£108,573,990	£134,268,503	£159,198,562	£183,849,968	£208,011,963	£231,567,643
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£178,869,131)	(£140,816,920)	(£105,642,182)	(£72,576,250)	(£41,145,186)	(£11,089,538)	£17,841,244	£46,059,227	£73,277,208	£99,851,199	£125,638,033	£150,847,202	£175,539,922	£199,897,459	£223,654,211
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v27 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
15% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

Eastleigh BC - Strategic Growth Option
Base Appraisal v27 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
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Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE				**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059	
Effective Purchaser's Costs Rate		5.85%		1,006,059
NET DEVELOPMENT VALUE				**1,549,818,614**
NET REALISATION				**1,549,818,614**
OUTLAY				
ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v27 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	335,408.88	1,202.01	403,164,828	
Affordable Housing	151,600.50	1,202.01	182,225,317	
Totals	**492,428.70 m²**		**592,181,791**	
Contingency		5.00%	30,588,365	
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000	
Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				969,657,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		15.00%	186,709,017	
				207,937,574
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			65,254,163	
Construction			22,735,900	
Total Finance Cost				87,990,062
TOTAL COSTS				**1,472,966,359**
PROFIT				
				76,852,255

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v27 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£58,389,339)	(£27,249,842)	£2,629,671	£31,381,057	£59,485,021	£86,639,327	£113,144,943	£138,930,416	£164,179,441	£188,885,397	£213,314,175	£237,185,949	£260,539,047	£283,623,132	£306,378,506
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£69,073,270)	(£37,509,382)	(£7,332,890)	£21,805,750	£50,119,398	£77,523,255	£104,318,954	£130,225,899	£155,738,001	£180,534,167	£205,115,343	£229,198,332	£252,649,132	£275,848,128	£298,707,781
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£79,978,796)	(£47,967,119)	(£17,414,091)	£12,144,463	£40,641,414	£68,400,185	£95,373,933	£121,517,298	£147,206,477	£172,182,938	£196,855,006	£221,113,076	£244,754,499	£268,033,925	£291,002,693
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£91,158,956)	(£58,602,846)	(£27,511,460)	£2,344,809	£31,072,122	£59,162,010	£86,303,827	£112,796,645	£138,578,224	£163,821,004	£188,524,298	£212,953,605	£236,820,925	£260,172,247	£283,260,008
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£102,435,391)	(£69,273,977)	(£37,751,531)	(£7,605,283)	£21,496,815	£49,802,892	£77,187,755	£103,975,533	£129,873,832	£155,382,676	£180,173,068	£204,755,003	£228,834,794	£252,282,332	£275,483,699
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£113,919,958)	(£80,146,904)	(£48,189,622)	(£17,683,515)	£11,848,856	£40,330,707	£68,067,361	£95,035,618	£121,165,232	£146,853,230	£171,821,838	£196,494,589	£220,751,060	£244,388,435	£267,668,583
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£125,764,778)	(£91,296,139)	(£58,816,353)	(£27,776,008)	£2,059,946	£30,763,187	£58,838,999	£85,968,326	£112,447,949	£138,226,033	£163,461,882	£188,163,198	£212,593,035	£236,455,902	£259,805,447
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£137,732,097)	(£102,570,254)	(£69,477,557)	(£37,997,061)	(£7,878,028)	£21,187,880	£49,486,386	£76,852,255	£103,632,112	£129,521,765	£155,027,350	£179,811,969	£204,394,663	£228,471,256	£251,915,532
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£150,055,468)	(£114,002,455)	(£80,317,888)	(£48,413,967)	(£17,952,938)	£11,550,598	£40,020,001	£67,734,537	£94,697,303	£120,813,165	£146,499,983	£171,460,739	£196,134,171	£220,389,043	£244,022,370
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£162,726,123)	(£125,800,651)	(£91,433,322)	(£59,029,859)	(£28,040,557)	£1,775,084	£30,454,252	£58,515,988	£85,632,826	£112,097,822	£137,873,841	£163,102,175	£187,802,099	£212,232,465	£236,090,878
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£175,558,819)	(£137,751,939)	(£102,707,437)	(£69,684,641)	(£38,242,592)	(£8,153,458)	£20,878,945	£49,169,880	£76,516,754	£103,288,692	£129,169,698	£154,671,106	£179,450,870	£204,034,323	£228,107,718
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£188,780,581)	(£149,985,628)	(£114,093,368)	(£80,493,191)	(£48,641,040)	(£18,222,361)	£11,252,340	£39,709,294	£67,400,683	£94,358,988	£120,461,098	£146,146,736	£171,099,640	£195,773,754	£220,027,026
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£202,169,091)	(£162,630,510)	(£125,836,524)	(£91,573,904)	(£59,243,366)	(£28,309,934)	£1,488,044	£30,145,317	£58,192,978	£85,297,326	£111,747,696	£137,521,649	£162,742,468	£187,441,000	£211,871,895
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£215,557,601)	(£175,400,089)	(£137,785,228)	(£102,844,620)	(£69,897,077)	(£38,492,193)	(£8,428,888)	£20,570,010	£48,853,048	£76,181,254	£102,945,271	£128,817,632	£154,314,858	£179,089,770	£203,673,983
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£228,946,111)	(£188,525,905)	(£149,932,597)	(£114,192,324)	(£80,673,564)	(£48,868,503)	(£18,491,785)	£10,954,082	£39,398,478	£67,065,182	£94,019,954	£120,109,031	£145,793,489	£170,738,541	£195,413,336
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v28 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
20% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
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Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,610,885,962**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,609,879,903**
NET REALISATION			**1,609,879,903**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)		80,500,000	
			80,500,000
Stamp Duty		4,016,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,207,500	
Legal Fee	0.75%	603,750	
			5,827,250

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	348,670.18	1,202.01	419,105,043	
Affordable Housing	157,596.00	1,202.01	189,431,968	
Totals	**511,685.50 m²**		**615,328,658**	
Contingency		5.00%	31,745,708	
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000	
Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
				280,667,501
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			38,289,519	
Construction			22,354,167	
Total Finance Cost				60,643,686
TOTAL COSTS				**1,520,845,353**
PROFIT				
				89,034,550

Performance Measures

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Eastleigh BC - Strategic Growth Option
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Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£31,717,275)	(£3,616,145)	£23,528,845	£49,693,874	£75,311,751	£100,164,310	£124,673,332	£148,573,222	£171,943,046	£194,949,804	£217,670,913	£240,192,837	£262,524,241	£284,840,810	£306,949,177
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£41,666,557)	(£13,238,636)	£14,139,774	£40,645,090	£66,476,942	£91,486,816	£116,166,623	£140,258,596	£163,793,855	£186,887,706	£209,708,668	£232,316,185	£254,671,237	£277,002,641	£299,201,409
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£51,650,183)	(£22,996,568)	£4,667,637	£31,555,958	£57,522,787	£82,809,323	£107,595,692	£131,888,532	£155,593,746	£178,805,443	£201,737,586	£224,399,599	£246,818,233	£269,149,637	£291,423,770
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£61,784,055)	(£32,887,110)	(£4,810,597)	£22,325,652	£48,477,764	£74,089,730	£98,938,177	£123,447,039	£147,342,621	£170,712,024	£193,721,320	£216,444,563	£238,965,229	£261,296,633	£283,615,556
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£72,087,669)	(£42,836,392)	(£14,421,159)	£12,941,576	£39,428,980	£65,258,733	£90,260,683	£114,941,031	£139,028,234	£162,561,687	£185,657,262	£208,482,318	£231,089,589	£253,443,629	£275,775,033
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£82,549,244)	(£52,812,403)	(£24,172,387)	£3,469,439	£30,345,718	£56,306,493	£81,583,189	£106,370,167	£130,660,197	£154,361,603	£177,574,999	£200,510,467	£223,173,409	£245,590,625	£267,922,029
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£93,037,028)	(£62,931,871)	(£34,056,944)	(£6,005,953)	£21,121,787	£47,261,654	£72,867,708	£97,712,043	£122,220,745	£146,112,020	£169,481,003	£192,492,836	£215,218,212	£237,737,621	£260,069,025
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£103,674,506)	(£73,222,003)	(£44,006,226)	(£15,605,238)	£11,743,377	£38,212,870	£64,040,524	£89,034,550	£113,715,439	£137,797,872	£161,329,519	£184,426,818	£207,255,967	£229,862,994	£252,216,021
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£114,542,239)	(£83,677,195)	(£53,974,622)	(£25,348,206)	£2,271,240	£29,135,477	£55,090,199	£80,357,056	£105,144,642	£129,431,862	£153,129,461	£176,344,556	£199,283,349	£221,947,220	£244,363,017
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£125,601,348)	(£94,159,842)	(£64,079,687)	(£35,226,778)	(£7,201,309)	£19,917,922	£46,045,544	£71,645,687	£96,485,910	£120,994,451	£144,881,419	£168,249,981	£191,264,352	£213,991,862	£236,510,013
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£136,708,939)	(£104,776,393)	(£74,356,337)	(£45,176,061)	(£16,790,148)	£10,545,179	£36,996,761	£62,822,315	£87,808,416	£112,489,589	£136,567,510	£160,097,350	£183,196,374	£206,029,617	£228,636,398
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£148,076,829)	(£115,620,692)	(£84,805,147)	(£55,136,986)	(£26,525,101)	£1,073,042	£27,925,237	£53,873,904	£79,130,923	£103,919,117	£128,203,451	£151,897,318	£175,114,112	£198,056,231	£220,721,030
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£159,740,637)	(£126,670,299)	(£95,286,680)	(£65,230,522)	(£36,396,613)	(£8,399,095)	£18,714,057	£44,829,434	£70,423,665	£95,259,777	£119,768,158	£143,650,818	£167,018,960	£190,035,869	£212,765,511
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£171,480,900)	(£137,761,449)	(£105,879,150)	(£75,493,561)	(£46,345,895)	(£17,975,058)	£9,346,796	£35,780,651	£61,604,106	£86,582,283	£111,263,709	£135,337,148	£158,864,719	£181,965,930	£204,803,267
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£183,543,978)	(£149,091,218)	(£116,699,144)	(£85,933,098)	(£56,302,971)	(£27,703,061)	(£125,157)	£26,713,183	£52,657,610	£77,904,789	£102,693,593	£126,974,172	£150,665,175	£173,883,668	£196,829,113
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v29 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
20% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v29 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,610,885,962**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,609,879,903**
NET REALISATION			**1,609,879,903**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v29 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	348,670.18	1,202.01	419,105,043	
Affordable Housing	157,596.00	1,202.01	189,431,968	
Totals	**511,685.50 m²**		**615,328,658**	
Contingency		5.00%	31,745,708	
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000	
Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,946,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
				280,667,501
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			49,967,335	
Construction			22,774,124	
Total Finance Cost				72,741,459
TOTAL COSTS				**1,551,110,376**
PROFIT				
				58,769,527

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v29 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£67,589,620)	(£38,302,792)	(£9,834,544)	£17,605,384	£44,311,656	£70,232,762	£95,476,686	£120,270,122	£144,620,795	£168,356,924	£191,650,905	£214,618,341	£237,308,077	£259,798,905	£282,130,309
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£78,050,534)	(£48,291,799)	(£19,615,285)	£8,133,247	£35,146,096	£61,201,746	£86,759,050	£111,605,540	£136,151,149	£160,100,926	£183,517,645	£206,583,776	£229,345,832	£251,928,844	£274,277,305
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£88,537,034)	(£58,427,423)	(£29,523,344)	(£1,366,810)	£25,845,695	£52,152,963	£77,942,622	£102,928,047	£127,632,617	£151,789,125	£175,330,197	£198,508,716	£221,383,584	£244,023,865	£266,424,301
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£99,162,230)	(£68,723,954)	(£39,472,626)	(£11,017,067)	£16,407,185	£43,097,619	£69,016,164	£94,250,553	£119,044,597	£143,393,268	£167,124,781	£190,420,243	£213,390,617	£236,081,727	£258,571,297
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£110,002,704)	(£79,178,486)	(£49,453,406)	(£20,791,104)	£6,935,048	£33,939,254	£59,985,637	£85,537,029	£110,379,407	£134,925,269	£158,870,325	£182,285,909	£205,354,386	£228,119,482	£250,702,249
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£121,046,387)	(£89,660,019)	(£59,575,239)	(£30,693,178)	(£2,558,687)	£24,644,393	£50,936,853	£76,723,635	£101,701,913	£126,407,025	£150,558,828	£174,097,246	£197,278,272	£220,156,924	£242,797,687
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£132,133,139)	(£100,264,988)	(£69,858,288)	(£40,642,460)	(£12,199,591)	£15,208,987	£41,883,581	£67,799,567	£93,024,420	£117,819,073	£142,165,740	£165,892,638	£189,189,581	£212,162,893	£234,855,376
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£143,438,284)	(£111,083,039)	(£80,306,437)	(£50,615,625)	(£21,966,923)	£5,736,850	£32,732,413	£58,769,527	£84,315,007	£109,153,274	£133,699,389	£157,639,724	£181,053,741	£204,124,995	£226,893,132
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£155,044,795)	(£122,115,339)	(£90,787,970)	(£60,723,055)	(£31,863,013)	(£3,751,302)	£23,443,091	£49,720,743	£75,504,648	£100,475,780	£125,181,433	£149,328,530	£172,864,295	£196,047,828	£218,930,264
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£166,760,971)	(£133,191,950)	(£101,370,051)	(£70,994,876)	(£41,812,295)	(£13,382,115)	£14,010,788	£40,669,544	£66,582,969	£91,798,286	£116,593,548	£140,938,213	£164,660,495	£187,958,919	£210,935,169
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£178,701,098)	(£144,460,349)	(£112,166,317)	(£81,434,389)	(£51,777,845)	(£23,142,741)	£4,538,651	£31,525,572	£57,553,417	£83,092,986	£107,927,140	£132,473,509	£156,409,123	£179,821,573	£202,895,605
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£191,027,474)	(£156,033,467)	(£123,184,290)	(£91,915,922)	(£61,874,189)	(£33,032,847)	(£4,943,917)	£22,241,788	£48,504,633	£74,285,661	£99,249,647	£123,955,841	£148,098,232	£171,631,344	£194,817,384
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£203,476,181)	(£167,747,856)	(£134,254,149)	(£102,477,767)	(£72,132,507)	(£42,982,129)	(£14,564,638)	£12,812,590	£39,455,507	£65,366,372	£90,572,153	£115,368,023	£139,710,685	£163,428,352	£186,728,257
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£216,346,554)	(£179,630,006)	(£145,488,656)	(£113,250,690)	(£82,562,340)	(£52,941,895)	(£24,318,560)	£3,340,453	£30,318,731	£56,337,307	£81,870,440	£106,701,007	£131,247,629	£155,178,522	£178,589,405
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£229,519,305)	(£191,909,826)	(£157,022,139)	(£124,253,242)	(£93,043,873)	(£63,025,500)	(£34,202,682)	(£6,138,197)	£21,040,486	£47,288,523	£73,066,674	£98,023,513	£122,730,248	£146,867,934	£170,398,393
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v30 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v30 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,610,885,962**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,609,879,903**
NET REALISATION			**1,609,879,903**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)		112,700,000	
			112,700,000
Stamp Duty		5,626,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,690,500	
Legal Fee	0.75%	845,250	
			8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v30 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	348,670.18	1,202.01	419,105,043	
Affordable Housing	157,596.00	1,202.01	189,431,968	
Totals	**511,685.50 m²**		**615,328,658**	
Contingency		5.00%	31,745,708	
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000	
Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,003,846,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
				280,667,501
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			63,209,071	
Construction			23,194,081	
Total Finance Cost				86,403,153
TOTAL COSTS				**1,582,939,319**
PROFIT				
				26,940,583

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v30 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£105,467,092)	(£74,679,776)	(£44,934,272)	(£16,239,920)	£11,598,856	£38,700,672	£64,876,945	£90,621,980	£115,595,410	£140,319,108	£164,538,505	£188,096,822	£211,357,939	£234,274,113	£256,941,640
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£116,491,426)	(£85,161,309)	(£55,070,791)	(£26,159,578)	£2,063,038	£29,338,839	£55,828,161	£81,718,064	£106,917,916	£131,716,525	£156,114,596	£179,887,148	£203,235,153	£226,263,198	£248,982,997
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£127,566,133)	(£95,754,716)	(£65,360,239)	(£36,108,860)	(£7,617,656)	£19,872,795	£46,725,471	£72,709,619	£98,206,350	£123,046,770	£147,624,344	£171,628,630	£195,062,106	£218,211,988	£241,020,752
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£138,815,780)	(£106,550,371)	(£75,807,728)	(£46,094,408)	(£17,413,655)	£10,400,658	£37,496,807	£63,660,835	£89,402,993	£114,369,277	£139,093,670	£163,309,290	£186,863,871	£210,127,277	£233,046,995
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£150,348,953)	(£117,560,378)	(£86,289,261)	(£56,218,607)	(£27,329,413)	£875,415	£28,139,711	£54,612,052	£80,501,044	£105,691,783	£130,490,761	£154,887,753	£178,655,664	£202,003,628	£225,034,783
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£162,063,342)	(£128,630,144)	(£96,862,432)	(£66,496,190)	(£37,278,695)	(£8,797,851)	£18,674,596	£45,515,231	£71,493,509	£96,984,328	£121,820,637	£146,398,464	£170,398,029	£193,829,155	£216,981,545
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£173,900,983)	(£139,846,113)	(£107,636,146)	(£76,935,679)	(£47,256,628)	(£18,587,390)	£9,202,459	£36,292,942	£62,444,726	£88,184,006	£113,143,143	£137,868,232	£162,080,075	£185,630,920	£208,896,616
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£186,115,113)	(£151,343,895)	(£118,629,329)	(£87,417,212)	(£57,366,546)	(£28,499,247)	(£314,560)	£26,940,583	£53,395,942	£79,284,024	£104,465,650	£129,264,998	£153,660,910	£177,423,673	£200,772,104
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£198,530,430)	(£163,052,015)	(£129,699,095)	(£97,970,148)	(£67,633,822)	(£38,448,529)	(£9,978,047)	£17,476,398	£44,304,990	£70,277,399	£95,761,476	£120,594,504	£145,172,584	£169,167,428	£192,596,204
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£211,202,254)	(£174,848,072)	(£140,881,535)	(£108,724,230)	(£78,063,631)	(£48,418,848)	(£19,761,458)	£8,004,261	£35,089,077	£61,228,616	£86,965,019	£111,917,010	£136,642,794	£160,850,860	£184,397,969
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£224,325,597)	(£187,000,975)	(£152,342,485)	(£119,698,281)	(£88,545,164)	(£58,517,856)	(£29,669,082)	(£1,504,535)	£25,741,455	£52,179,832	£78,067,004	£103,239,516	£128,039,234	£152,434,068	£176,191,530
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£237,584,473)	(£199,412,782)	(£164,040,687)	(£130,768,047)	(£99,082,324)	(£68,771,453)	(£39,618,364)	(£11,160,546)	£16,278,199	£43,094,750	£69,061,290	£94,538,212	£119,368,370	£143,946,704	£167,936,827
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£251,213,506)	(£211,999,567)	(£175,803,700)	(£141,921,593)	(£109,813,255)	(£79,191,582)	(£49,581,068)	(£20,937,277)	£6,806,062	£33,885,212	£60,012,506	£85,746,032	£110,690,877	£135,417,356	£159,621,645
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£265,122,776)	(£225,070,190)	(£187,896,504)	(£153,344,725)	(£120,767,232)	(£89,673,115)	(£59,669,167)	(£30,838,916)	(£2,694,510)	£24,541,847	£50,963,722	£76,849,983	£102,013,383	£126,813,470	£151,207,225
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£279,034,124)	(£238,282,957)	(£200,295,133)	(£165,029,359)	(£131,836,998)	(£100,195,059)	(£69,909,085)	(£40,788,198)	(£12,343,070)	£15,080,001	£41,884,510	£67,845,180	£93,314,948	£118,142,237	£142,720,825
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v31 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
17.5% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v31 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,610,885,962**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,609,879,903**
NET REALISATION			**1,609,879,903**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)		80,500,000	
			80,500,000
Stamp Duty		4,016,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,207,500	
Legal Fee	0.75%	603,750	
			5,827,250

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v31 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	348,670.18	1,202.01	419,105,043	
Affordable Housing	157,596.00	1,202.01	189,431,968	
Totals	**511,685.50 m²**		**615,328,658**	
Contingency		5.00%	31,745,708	
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000	
Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
				248,318,991
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			38,289,519	
Construction			22,354,167	
Total Finance Cost				60,643,686
TOTAL COSTS				**1,488,496,842**
PROFIT				
				121,383,060

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v31 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£2,387,927)	£26,144,513	£53,720,812	£80,317,149	£106,366,335	£131,650,203	£156,590,534	£180,921,733	£204,722,865	£228,160,932	£251,313,351	£274,266,583	£297,029,296	£319,777,174	£342,316,850
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£12,337,209)	£16,522,022	£44,331,740	£71,268,365	£97,531,526	£122,972,709	£148,083,825	£172,607,107	£196,573,674	£220,098,834	£243,351,106	£266,389,931	£289,176,292	£311,939,005	£334,569,081
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£22,320,834)	£6,764,089	£34,859,603	£62,179,233	£88,577,371	£114,295,216	£139,512,894	£164,237,042	£188,373,566	£212,016,572	£235,380,023	£258,473,345	£281,323,288	£304,086,001	£326,791,443
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£32,454,707)	(£3,126,452)	£25,381,369	£52,948,927	£79,532,348	£105,575,623	£130,855,378	£155,795,549	£180,122,441	£203,923,153	£227,363,757	£250,518,309	£273,470,284	£296,232,997	£318,983,229
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£42,758,321)	(£13,075,734)	£15,770,807	£43,564,851	£70,483,564	£96,744,626	£122,177,885	£147,289,542	£171,808,053	£195,772,815	£219,299,699	£242,556,064	£265,594,644	£288,379,993	£311,142,706
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£53,219,895)	(£23,051,745)	£6,019,579	£34,092,714	£61,400,302	£87,792,386	£113,500,391	£138,718,678	£163,440,017	£187,572,732	£211,217,437	£234,584,214	£257,678,464	£280,526,989	£303,289,702
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£63,707,679)	(£33,171,214)	(£3,864,978)	£24,617,322	£52,176,371	£78,747,547	£104,784,910	£130,060,554	£155,000,565	£179,323,149	£203,123,440	£226,566,582	£249,723,267	£272,673,985	£295,436,698
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£74,345,158)	(£43,461,346)	(£13,814,260)	£15,018,038	£42,797,961	£69,698,763	£95,957,726	£121,383,060	£146,495,259	£171,009,000	£194,971,956	£218,500,564	£241,761,023	£264,799,358	£287,583,694
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£85,212,890)	(£53,916,538)	(£23,782,656)	£5,275,069	£33,325,824	£60,621,370	£87,007,400	£112,705,567	£137,924,462	£162,642,991	£186,771,898	£210,418,302	£233,788,404	£256,883,583	£279,730,690
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£96,271,999)	(£64,399,184)	(£33,887,721)	(£4,603,503)	£23,853,275	£51,403,815	£77,962,746	£103,994,197	£129,265,730	£154,205,580	£178,523,857	£202,323,727	£225,769,407	£248,928,226	£271,877,686
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£107,379,591)	(£75,015,735)	(£44,164,371)	(£14,552,785)	£14,264,436	£42,031,072	£68,913,962	£95,170,825	£120,588,236	£145,700,717	£170,209,947	£194,171,097	£217,701,429	£240,965,981	£264,004,071
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£118,747,480)	(£85,860,034)	(£54,613,180)	(£24,513,711)	£4,529,483	£32,558,934	£59,842,439	£86,222,415	£111,910,742	£137,130,246	£161,845,888	£185,971,064	£209,619,167	£232,992,595	£256,088,703
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£130,411,288)	(£96,909,642)	(£65,094,714)	(£34,607,247)	(£5,342,029)	£23,086,797	£50,631,258	£77,177,945	£103,203,485	£128,470,905	£153,410,595	£177,724,564	£201,524,015	£224,972,233	£248,133,184
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£142,151,551)	(£108,000,792)	(£75,687,184)	(£44,870,286)	(£15,291,311)	£13,510,835	£41,263,998	£68,129,161	£94,383,925	£119,793,411	£144,906,146	£169,410,894	£193,369,774	£216,902,294	£240,170,939
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£154,214,629)	(£119,330,560)	(£86,507,178)	(£55,309,823)	(£25,248,387)	£3,782,831	£31,792,045	£59,061,693	£85,437,429	£111,115,918	£136,336,030	£161,047,918	£185,170,230	£208,820,032	£232,196,786
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v32 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
17.5% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v32 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
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Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,610,885,962**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,609,879,903**
NET REALISATION			**1,609,879,903**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v32 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	348,670.18	1,202.01	419,105,043	
Affordable Housing	157,596.00	1,202.01	189,431,968	
Totals	**511,685.50 m²**		**615,328,658**	
Contingency		5.00%	31,745,708	
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000	
Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,946,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
				248,318,991
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			49,967,335	
Construction			22,774,124	
Total Finance Cost				72,741,459
TOTAL COSTS				**1,518,761,865**
PROFIT				
				91,118,037

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v32 May 2019 Update

Table of Profit Amount and Land Cost

Construction: Rate /m²	Sales: Rate /m²														
	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£38,260,272)	(£8,542,134)	£20,357,423	£48,228,659	£75,366,240	£101,718,655	£127,393,888	£152,618,633	£177,400,615	£201,568,052	£225,293,342	£248,692,087	£271,813,132	£294,735,269	£317,497,982
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£48,721,186)	(£18,531,141)	£10,576,681	£38,756,522	£66,200,680	£92,687,639	£118,676,252	£143,954,051	£168,930,969	£193,312,055	£217,160,082	£240,657,523	£263,850,887	£286,865,208	£309,644,978
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£59,207,685)	(£28,666,766)	£668,622	£29,256,466	£56,900,279	£83,638,856	£109,859,824	£135,276,557	£160,412,437	£185,000,254	£208,972,634	£232,582,462	£255,888,639	£278,960,229	£301,791,974
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£69,832,881)	(£38,963,297)	(£9,280,660)	£19,606,208	£47,461,769	£74,583,512	£100,933,366	£126,599,064	£151,824,417	£176,604,396	£200,767,218	£224,493,989	£247,895,672	£271,018,091	£293,938,970
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£80,673,355)	(£49,417,828)	(£19,261,439)	£9,832,171	£37,989,632	£65,425,147	£91,902,838	£117,885,540	£143,159,226	£168,136,397	£192,512,763	£216,359,655	£239,859,441	£263,055,846	£286,069,921
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£91,717,038)	(£59,899,362)	(£29,383,273)	(£69,903)	£28,495,897	£56,130,286	£82,854,055	£109,072,146	£134,481,733	£159,618,153	£184,201,265	£208,170,992	£231,783,327	£255,093,288	£278,165,360
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£102,803,791)	(£70,504,330)	(£39,666,322)	(£10,019,185)	£18,854,993	£46,694,880	£73,800,783	£100,148,078	£125,804,239	£151,030,201	£175,808,178	£199,966,384	£223,694,636	£247,099,257	£270,223,049
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£114,108,936)	(£81,322,382)	(£50,114,471)	(£19,992,350)	£9,087,661	£37,222,742	£64,649,615	£91,118,037	£117,094,827	£142,364,402	£167,341,826	£191,713,470	£215,558,796	£239,061,359	£262,260,804
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£125,715,446)	(£92,354,681)	(£60,596,004)	(£30,099,780)	(£808,429)	£27,734,591	£55,360,292	£82,069,254	£108,284,468	£133,686,908	£158,823,870	£183,402,276	£207,369,350	£230,984,192	£254,297,937
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£137,431,623)	(£103,431,292)	(£71,178,084)	(£40,371,600)	(£10,757,711)	£18,103,778	£45,927,990	£73,018,055	£99,362,789	£125,009,415	£150,235,985	£175,011,959	£199,165,550	£222,895,283	£246,302,842
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£149,371,750)	(£114,699,692)	(£81,974,351)	(£50,811,113)	(£20,723,261)	£8,343,151	£36,455,853	£63,874,083	£90,333,236	£116,304,114	£141,569,577	£166,547,255	£190,914,178	£214,757,937	£238,263,277
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£161,698,125)	(£126,272,810)	(£92,992,324)	(£61,292,647)	(£30,819,605)	(£1,546,954)	£26,973,285	£54,590,299	£81,284,453	£107,496,790	£132,892,084	£158,029,587	£182,603,287	£206,567,708	£230,185,057
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£174,146,833)	(£137,987,199)	(£104,062,183)	(£71,854,492)	(£41,077,923)	(£11,496,237)	£17,352,564	£45,161,100	£72,235,326	£98,577,500	£124,214,590	£149,441,769	£174,215,740	£198,364,716	£222,095,930
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£187,017,206)	(£149,869,348)	(£115,296,690)	(£82,627,415)	(£51,507,756)	(£21,456,002)	£7,598,641	£35,688,963	£63,098,550	£89,548,436	£115,512,877	£140,774,753	£165,752,684	£190,114,886	£213,957,078
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£200,189,956)	(£162,149,168)	(£126,830,173)	(£93,629,967)	(£61,989,289)	(£31,539,607)	(£2,285,480)	£26,210,314	£53,820,305	£80,499,652	£106,709,112	£132,097,259	£157,235,303	£181,804,298	£205,766,066
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v33 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
17.5% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v33 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,610,885,962**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,609,879,903**
NET REALISATION			**1,609,879,903**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)		112,700,000	
			112,700,000
Stamp Duty		5,626,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,690,500	
Legal Fee	0.75%	845,250	
			8,161,750

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
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	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	348,670.18	1,202.01	419,105,043	
Affordable Housing	157,596.00	1,202.01	189,431,968	
Totals	**511,685.50 m²**		**615,328,658**	
Contingency		5.00%	31,745,708	
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000	
Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,003,846,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
				248,318,991
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			63,209,071	
Construction			23,194,081	
Total Finance Cost				86,403,153
TOTAL COSTS				**1,550,590,809**
PROFIT				
				59,289,094

Performance Measures

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Eastleigh BC - Strategic Growth Option
Base Appraisal v33 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£76,137,743)	(£44,919,119)	(£14,742,306)	£14,383,355	£42,653,440	£70,186,565	£96,794,147	£122,970,491	£148,375,230	£173,530,236	£198,180,942	£222,170,568	£245,862,994	£269,210,477	£292,309,312
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£87,162,078)	(£55,400,652)	(£24,878,825)	£4,463,697	£33,117,622	£60,824,732	£87,745,363	£114,066,575	£139,697,736	£164,927,654	£189,757,033	£213,960,894	£237,740,208	£261,199,561	£284,350,669
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£98,236,785)	(£65,994,058)	(£35,168,273)	(£5,485,585)	£23,436,928	£51,358,688	£78,642,673	£105,058,130	£130,986,169	£156,257,899	£181,266,781	£205,702,376	£229,567,161	£253,148,352	£276,388,424
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£109,486,431)	(£76,789,713)	(£45,615,761)	(£15,471,133)	£13,640,929	£41,886,550	£69,414,009	£96,009,346	£122,182,813	£147,580,405	£172,736,107	£197,383,036	£221,368,926	£245,063,641	£268,414,668
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£121,019,605)	(£87,799,720)	(£56,097,295)	(£25,595,332)	£3,725,171	£32,361,308	£60,056,913	£86,960,562	£113,280,864	£138,902,911	£164,133,199	£188,961,499	£213,160,719	£236,939,992	£260,402,456
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£132,733,994)	(£98,869,486)	(£66,670,465)	(£35,872,915)	(£6,224,111)	£22,688,041	£50,591,798	£77,863,741	£104,273,329	£130,195,457	£155,463,074	£180,472,210	£204,903,084	£228,765,519	£252,349,217
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£144,571,635)	(£110,085,455)	(£77,444,180)	(£46,312,404)	(£16,202,044)	£12,898,503	£41,119,661	£68,641,452	£95,224,545	£121,395,134	£146,785,581	£171,941,978	£196,585,130	£220,567,284	£244,264,288
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£156,785,765)	(£121,583,237)	(£88,437,363)	(£56,793,937)	(£26,311,962)	£2,986,646	£31,602,642	£59,289,094	£86,175,761	£112,495,152	£138,108,087	£163,338,744	£188,165,965	£212,360,037	£236,139,776
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£169,201,082)	(£133,291,357)	(£99,507,129)	(£67,346,873)	(£36,579,238)	(£6,962,636)	£21,939,155	£49,824,908	£77,084,810	£103,488,528	£129,403,914	£154,668,250	£179,677,639	£204,103,792	£227,963,877
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£181,872,905)	(£145,087,415)	(£110,689,569)	(£78,100,955)	(£47,009,046)	(£16,932,955)	£12,155,744	£40,352,771	£67,868,896	£94,439,744	£120,607,456	£145,990,756	£171,147,849	£195,787,224	£219,765,642
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£194,996,249)	(£157,240,317)	(£122,150,519)	(£89,075,006)	(£57,490,580)	(£27,031,964)	£2,248,120	£30,843,976	£58,521,275	£85,390,960	£111,709,441	£137,313,263	£162,544,289	£187,370,432	£211,559,203
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£208,255,125)	(£169,652,124)	(£133,848,720)	(£100,144,772)	(£68,027,740)	(£37,285,560)	(£7,701,162)	£21,187,965	£49,058,019	£76,305,879	£102,703,727	£128,611,958	£153,873,425	£178,883,068	£203,304,500
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£221,884,157)	(£182,238,910)	(£145,611,734)	(£111,298,318)	(£78,758,671)	(£47,705,689)	(£17,663,866)	£11,411,234	£39,585,882	£67,096,340	£93,654,943	£119,819,778	£145,195,932	£170,353,720	£194,989,318
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£235,793,428)	(£195,309,532)	(£157,704,538)	(£122,721,450)	(£89,712,648)	(£58,187,222)	(£27,751,965)	£1,509,594	£30,085,309	£57,752,975	£84,606,160	£110,923,730	£136,518,438	£161,749,834	£186,574,898
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£249,704,775)	(£208,522,300)	(£170,103,167)	(£134,406,084)	(£100,782,414)	(£68,709,166)	(£37,991,883)	(£8,439,688)	£20,436,750	£48,291,129	£75,526,947	£101,918,926	£127,820,003	£153,078,601	£178,088,497
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v34 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
15% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
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Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,610,885,962**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,609,879,903**
NET REALISATION			**1,609,879,903**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)		80,500,000	
			80,500,000
Stamp Duty		4,016,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,207,500	
Legal Fee	0.75%	603,750	
			5,827,250

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v34 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	348,670.18	1,202.01	419,105,043	
Affordable Housing	157,596.00	1,202.01	189,431,968	
Totals	**511,685.50 m²**		**615,328,658**	
Contingency		5.00%	31,745,708	
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000	
Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		15.00%	194,091,064	
				215,970,480
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			38,289,519	
Construction			22,354,167	
Total Finance Cost				60,643,686
TOTAL COSTS				**1,456,148,332**
PROFIT				
				153,731,571

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v34 May 2019 Update

Table of Profit Amount and Land Cost

Construction: Rate /m²	Sales: Rate /m²														
	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	£26,941,422	£55,905,170	£83,912,778	£110,940,424	£137,420,919	£163,136,096	£188,507,736	£213,270,243	£237,502,685	£261,372,061	£284,955,788	£308,340,329	£331,534,351	£354,713,538	£377,684,522
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	£16,992,140	£46,282,679	£74,523,707	£101,891,640	£128,586,110	£154,458,602	£180,001,027	£204,955,617	£229,353,494	£253,309,963	£276,993,543	£300,463,677	£323,681,347	£346,875,369	£369,936,754
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	£7,008,514	£36,524,747	£65,051,570	£92,802,508	£119,631,955	£145,781,109	£171,430,095	£196,585,553	£221,153,385	£245,227,700	£269,022,460	£292,547,091	£315,828,343	£339,022,365	£362,159,116
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£3,125,358)	£26,634,205	£55,573,336	£83,572,202	£110,586,932	£137,061,515	£162,772,580	£188,144,060	£212,902,260	£237,134,281	£261,006,195	£284,592,055	£307,975,339	£331,169,361	£354,350,902
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£13,428,972)	£16,684,923	£45,962,773	£74,188,126	£101,538,148	£128,230,519	£154,095,087	£179,638,053	£204,587,873	£228,983,943	£252,942,137	£276,629,810	£300,099,699	£323,316,357	£346,510,379
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£23,890,547)	£6,708,912	£36,211,546	£64,715,989	£92,454,886	£119,278,279	£145,417,593	£171,067,188	£196,219,836	£220,783,860	£244,859,874	£268,657,960	£292,183,519	£315,463,353	£338,657,375
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£34,378,331)	(£3,410,557)	£26,326,989	£55,240,597	£83,230,955	£110,233,440	£136,702,112	£162,409,065	£187,780,384	£212,534,277	£236,765,877	£260,640,329	£284,228,322	£307,610,349	£330,804,371
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£45,015,809)	(£13,700,688)	£16,377,707	£45,641,313	£73,852,545	£101,184,656	£127,874,927	£153,731,571	£179,275,078	£204,220,129	£228,614,393	£252,574,311	£276,266,078	£299,735,721	£322,951,367
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£55,883,542)	(£24,155,880)	£6,409,310	£35,898,344	£64,380,408	£92,107,263	£118,924,602	£145,054,077	£170,704,281	£195,854,119	£220,414,335	£244,492,048	£268,293,459	£291,819,947	£315,098,363
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£66,942,651)	(£34,638,527)	(£3,695,755)	£26,019,772	£54,907,859	£82,889,707	£109,879,948	£136,342,708	£162,045,549	£187,416,708	£212,166,294	£236,397,474	£260,274,463	£283,864,590	£307,245,359
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£78,050,242)	(£45,255,078)	(£13,972,405)	£16,070,490	£45,319,020	£73,516,964	£100,831,164	£127,519,336	£153,368,055	£178,911,846	£203,852,384	£228,244,843	£252,206,484	£275,902,345	£299,371,743
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£89,418,132)	(£56,099,377)	(£24,421,214)	£6,109,564	£35,584,067	£64,044,827	£91,759,641	£118,570,926	£144,690,562	£170,341,374	£195,488,326	£220,044,810	£244,124,222	£267,928,959	£291,456,376
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£101,081,939)	(£67,148,985)	(£34,902,747)	(£3,983,971)	£25,712,555	£54,572,690	£82,548,460	£109,526,456	£135,983,304	£161,682,033	£187,053,032	£211,798,311	£236,029,070	£259,908,596	£283,500,857
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£112,822,202)	(£78,240,134)	(£45,495,218)	(£14,247,011)	£15,763,273	£44,996,728	£73,181,200	£100,477,672	£127,163,745	£153,004,540	£178,548,584	£203,484,640	£227,874,829	£251,838,658	£275,538,612
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£124,885,281)	(£89,569,903)	(£56,315,212)	(£24,686,548)	£5,806,197	£35,268,724	£63,709,247	£91,410,204	£118,217,249	£144,327,046	£169,978,467	£195,121,664	£219,675,285	£243,756,396	£267,564,459
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v35 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
15% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v35 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,610,885,962**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,609,879,903**
NET REALISATION			**1,609,879,903**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v35 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	348,670.18	1,202.01	419,105,043	
Affordable Housing	157,596.00	1,202.01	189,431,968	
Totals	**511,685.50 m²**		**615,328,658**	
Contingency		5.00%	31,745,708	
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000	
Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			5,400,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,946,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		15.00%	194,091,064	
				215,970,480
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			49,967,335	
Construction			22,774,124	
Total Finance Cost				72,741,459
TOTAL COSTS				**1,486,413,355**
PROFIT				
				123,466,548

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v35 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£8,930,923)	£21,218,523	£50,549,389	£78,851,934	£106,420,824	£133,204,548	£159,311,090	£184,967,144	£210,180,434	£234,779,181	£258,935,780	£282,765,833	£306,318,187	£329,671,633	£352,865,655
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£19,391,837)	£11,229,516	£40,768,648	£69,379,797	£97,255,264	£124,173,532	£150,593,454	£176,302,562	£201,710,788	£226,523,183	£250,802,519	£274,731,269	£298,355,943	£321,801,572	£345,012,651
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£29,878,336)	£1,093,891	£30,860,589	£59,879,741	£87,954,863	£115,124,748	£141,777,026	£167,625,068	£193,192,256	£218,211,382	£242,615,071	£266,656,208	£290,393,694	£313,896,593	£337,159,647
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£40,503,533)	(£9,202,639)	£20,911,307	£50,229,483	£78,516,353	£106,069,404	£132,850,568	£158,947,574	£184,604,236	£209,815,525	£234,409,656	£258,567,735	£282,400,727	£305,954,455	£329,306,643
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£51,344,007)	(£19,657,171)	£10,930,527	£40,455,447	£69,044,216	£96,911,040	£123,820,040	£150,234,050	£175,939,046	£201,347,526	£226,155,200	£250,433,402	£274,364,496	£297,992,210	£321,437,594
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£62,387,690)	(£30,138,704)	£808,693	£30,553,372	£59,550,481	£87,616,179	£114,771,256	£141,420,657	£167,261,552	£192,829,282	£217,843,702	£242,244,738	£266,288,382	£290,029,652	£313,533,033
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£73,474,442)	(£40,743,673)	(£9,474,356)	£20,604,090	£49,909,577	£78,180,772	£105,717,985	£132,496,588	£158,584,059	£184,241,329	£209,450,615	£234,040,130	£258,199,691	£282,035,621	£305,590,722
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£84,779,587)	(£51,561,724)	(£19,922,505)	£10,630,925	£40,142,246	£68,708,635	£96,566,817	£123,466,548	£149,874,647	£175,575,530	£200,984,264	£225,787,217	£250,063,851	£273,997,723	£297,628,477
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£96,386,098)	(£62,594,024)	(£30,404,038)	£523,495	£30,246,155	£59,220,484	£87,277,494	£114,417,764	£141,064,287	£166,898,037	£192,466,307	£217,476,022	£241,874,405	£265,920,556	£289,665,610
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£108,102,274)	(£73,670,635)	(£40,986,118)	(£9,748,325)	£20,296,873	£49,589,671	£77,845,192	£105,366,565	£132,142,609	£158,220,543	£183,878,422	£209,085,705	£233,670,605	£257,831,647	£281,670,515
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£120,042,401)	(£84,939,034)	(£51,782,385)	(£20,187,838)	£10,331,323	£39,829,044	£68,373,055	£96,222,593	£123,113,056	£149,515,243	£175,212,015	£200,621,002	£225,419,233	£249,694,301	£273,630,950
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£132,368,777)	(£96,512,152)	(£62,800,358)	(£30,669,372)	£234,979	£29,938,938	£58,890,486	£86,938,810	£114,064,272	£140,707,918	£166,534,521	£192,103,333	£217,108,342	£241,504,072	£265,552,730
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£144,817,484)	(£108,226,541)	(£73,870,217)	(£41,231,216)	(£10,023,339)	£19,989,656	£49,269,765	£77,509,611	£105,015,146	£131,788,629	£157,857,027	£183,515,515	£208,720,796	£233,301,080	£257,463,603
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£157,687,857)	(£120,108,691)	(£85,104,724)	(£52,004,139)	(£20,453,172)	£10,029,891	£39,515,843	£68,037,474	£95,878,370	£122,759,564	£149,155,315	£174,848,499	£200,257,739	£225,051,250	£249,324,751
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£170,860,608)	(£132,388,511)	(£96,638,207)	(£63,006,691)	(£30,934,705)	(£53,714)	£29,631,722	£58,558,825	£86,600,125	£113,710,780	£140,351,549	£166,171,006	£191,740,358	£216,740,662	£241,133,739
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v36 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
Grant Funded
Nil CIL
15% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
30 May 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v36 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**

GROSS DEVELOPMENT VALUE			**1,610,885,962**
Purchaser's Costs	5.85%	1,006,059	
Effective Purchaser's Costs Rate	5.85%		1,006,059
NET DEVELOPMENT VALUE			**1,609,879,903**
NET REALISATION			**1,609,879,903**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)		112,700,000	
			112,700,000
Stamp Duty		5,626,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,690,500	
Legal Fee	0.75%	845,250	
			8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Eastleigh BC - Strategic Growth Option
Base Appraisal v36 May 2019 Update

	m²	Build Rate m²	Cost	
Retail - Foodstore	2,322.58	1,560.77	3,625,013	
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633	
Market Housing	348,670.18	1,202.01	419,105,043	
Affordable Housing	157,596.00	1,202.01	189,431,968	
Totals	**511,685.50 m²**		**615,328,658**	
Contingency		5.00%	31,745,708	
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000	
Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,003,846,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		15.00%	194,091,064	
				215,970,480
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			63,209,071	
Construction			23,194,081	
Total Finance Cost				86,403,153
TOTAL COSTS				**1,518,242,298**
PROFIT				
				91,637,605

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v36 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£46,808,395)	(£15,158,461)	£15,449,661	£45,006,630	£73,708,024	£101,672,458	£128,711,349	£155,319,001	£181,155,049	£206,741,365	£231,823,379	£256,244,314	£280,368,050	£304,146,841	£327,676,985
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£57,832,729)	(£25,639,994)	£5,313,141	£35,086,972	£64,172,206	£92,310,625	£119,662,565	£146,415,085	£172,477,555	£198,138,782	£223,399,470	£248,034,640	£272,245,263	£296,135,925	£319,718,342
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£68,907,436)	(£36,233,401)	(£4,976,306)	£25,137,690	£54,491,512	£82,844,580	£110,559,874	£137,406,640	£163,765,989	£189,469,027	£214,909,219	£239,776,123	£264,072,216	£288,084,716	£311,756,097
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£80,157,083)	(£47,029,056)	(£15,423,795)	£15,152,142	£44,695,513	£73,372,443	£101,331,210	£128,357,857	£154,962,632	£180,791,534	£206,378,545	£231,456,782	£255,873,981	£280,000,005	£303,782,340
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£91,690,256)	(£58,039,063)	(£25,905,328)	£5,027,943	£34,779,755	£63,847,201	£91,974,115	£119,309,073	£146,060,683	£172,114,040	£197,775,636	£223,035,245	£247,665,774	£271,876,356	£295,770,129
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£103,404,645)	(£69,108,829)	(£36,478,499)	(£5,249,640)	£24,830,473	£54,173,934	£82,509,000	£110,212,252	£137,053,148	£163,406,585	£189,105,512	£214,545,957	£239,408,139	£263,701,883	£287,716,890
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£115,242,286)	(£80,324,798)	(£47,252,213)	(£15,689,129)	£14,852,540	£44,384,396	£73,036,863	£100,989,963	£128,004,365	£154,606,263	£180,428,018	£206,015,724	£231,090,185	£255,503,648	£279,631,961
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£127,456,416)	(£91,822,580)	(£58,245,397)	(£26,170,662)	£4,742,622	£34,472,538	£63,519,844	£91,637,605	£118,955,581	£145,706,281	£171,750,524	£197,412,490	£222,671,020	£247,296,401	£271,507,449
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£139,871,733)	(£103,530,700)	(£69,315,163)	(£36,723,597)	(£5,524,653)	£24,523,256	£53,856,357	£82,173,419	£109,864,629	£136,699,656	£163,046,351	£188,741,996	£214,182,694	£239,040,156	£263,331,550
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£152,543,557)	(£115,326,757)	(£80,497,602)	(£47,477,679)	(£15,954,462)	£14,552,938	£44,072,945	£72,701,282	£100,648,716	£127,650,873	£154,249,894	£180,064,502	£205,652,904	£230,723,588	£255,133,315
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£165,666,900)	(£127,479,660)	(£91,958,552)	(£58,451,731)	(£26,435,996)	£4,453,929	£34,165,322	£63,192,486	£91,301,094	£118,602,089	£145,351,878	£171,387,009	£197,049,344	£222,306,796	£246,926,876
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£178,925,776)	(£139,891,467)	(£103,656,754)	(£69,521,497)	(£36,973,156)	(£5,799,667)	£24,216,040	£53,536,475	£81,837,838	£109,517,007	£136,346,164	£162,685,704	£188,378,480	£213,819,432	£238,672,173
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£192,554,809)	(£152,478,252)	(£115,419,767)	(£80,675,043)	(£47,704,086)	(£16,219,796)	£14,253,336	£43,759,744	£72,365,701	£100,307,468	£127,297,381	£153,893,524	£179,700,987	£205,290,084	£230,356,991
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£206,464,079)	(£165,548,875)	(£127,512,571)	(£92,098,175)	(£58,658,064)	(£26,701,329)	£4,165,237	£33,858,105	£62,865,129	£90,964,104	£118,248,597	£144,997,476	£171,023,493	£196,686,197	£221,942,571
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£220,375,427)	(£178,761,642)	(£139,911,201)	(£103,782,809)	(£69,727,830)	(£37,223,274)	(£6,074,681)	£23,908,823	£53,216,569	£81,502,257	£109,169,385	£135,992,672	£162,325,058	£188,014,965	£213,456,170
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Appendix II: SGO Sensitivity Testing – Appraisal Summaries: Forward Funded

DixonSearle Partnership

Eastleigh BC - Strategic Growth Option
Base Appraisal v37 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Forward Funded
Nil CIL
20% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY — DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v37 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS

Fixed Price	80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)		80,500,000	
			80,500,000
Stamp Duty		4,016,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,207,500	
Legal Fee	0.75%	603,750	
			5,827,250

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v37 May 2019 Update

Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
Funding Payback (Yr 15)			41,085,000	
				311,258,913
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			39,253,159	
Construction			21,894,106	
Total Finance Cost				61,147,265
TOTAL COSTS				**1,513,110,400**
PROFIT				
				36,708,214

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v37 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£86,269,972)	(£57,208,649)	(£29,298,983)	(£2,286,233)	£23,210,480	£47,441,260	£71,223,313	£94,466,860	£117,159,319	£139,422,534	£161,421,938	£183,197,455	£204,732,238	£226,214,216	£247,617,204
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£96,550,445)	(£67,173,256)	(£38,874,291)	(£11,453,040)	£14,397,610	£39,088,748	£62,947,224	£86,387,433	£109,253,529	£131,644,251	£153,734,646	£175,557,630	£197,174,648	£218,656,626	£240,113,960
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£107,039,830)	(£77,255,963)	(£48,526,344)	(£20,873,627)	£5,518,673	£30,661,407	£54,601,581	£78,234,084	£101,293,242	£123,831,864	£146,001,423	£167,894,879	£189,609,223	£211,099,035	£232,580,715
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£117,687,331)	(£87,359,519)	(£58,323,320)	(£30,437,727)	(£3,451,018)	£22,032,289	£46,250,352	£70,033,265	£93,272,443	£115,962,710	£138,228,549	£160,232,128	£182,007,887	£203,541,445	£225,023,423
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£128,384,426)	(£97,621,141)	(£68,275,458)	(£40,013,034)	(£12,604,551)	£13,220,629	£37,899,122	£61,756,719	£85,195,607	£108,058,248	£130,450,265	£152,543,479	£174,367,820	£195,983,855	£217,465,833
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£139,321,298)	(£108,087,893)	(£78,355,196)	(£49,653,469)	(£22,014,300)	£4,341,692	£29,476,508	£53,410,673	£77,043,705	£100,098,898	£122,636,713	£144,808,491	£166,705,069	£188,418,952	£209,908,243
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£150,533,045)	(£118,730,647)	(£88,451,528)	(£59,437,992)	(£31,576,471)	(£4,616,585)	£20,854,098	£45,059,443	£68,843,217	£92,078,025	£114,766,101	£137,034,563	£159,042,317	£180,818,320	£202,350,652
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£161,820,709)	(£129,410,497)	(£98,691,925)	(£69,377,660)	(£41,151,778)	(£13,757,481)	£12,043,648	£36,708,214	£60,566,215	£84,003,782	£106,862,966	£129,256,280	£151,352,230	£173,178,010	£194,793,062
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£173,370,799)	(£140,313,681)	(£109,140,205)	(£79,454,428)	(£50,781,537)	(£23,156,672)	£3,164,712	£28,291,608	£52,219,765	£75,853,326	£98,904,554	£121,441,561	£143,615,558	£165,515,258	£187,228,681
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£185,267,977)	(£151,500,037)	(£119,773,963)	(£89,545,886)	(£60,552,663)	(£32,715,215)	(£5,783,641)	£19,675,908	£43,868,535	£67,653,169	£90,883,608	£113,569,493	£135,840,577	£157,852,507	£179,628,753
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£197,276,432)	(£162,777,023)	(£130,441,012)	(£99,767,264)	(£70,482,141)	(£42,290,522)	(£14,911,305)	£10,866,667	£35,517,305	£59,375,710	£82,811,956	£105,667,685	£128,062,294	£150,160,981	£171,988,199
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£209,726,072)	(£174,271,888)	(£141,310,995)	(£110,192,517)	(£80,553,660)	(£51,909,604)	(£24,299,044)	£1,987,731	£27,106,709	£51,028,857	£74,662,947	£97,710,210	£120,246,409	£142,422,626	£164,325,448
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£222,410,945)	(£186,133,659)	(£152,467,029)	(£120,817,278)	(£90,641,233)	(£61,670,008)	(£33,853,959)	(£6,950,696)	£18,497,717	£42,677,627	£66,463,122	£89,689,191	£112,372,884	£134,646,591	£156,662,697
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£235,334,558)	(£198,106,246)	(£163,741,144)	(£131,476,223)	(£100,842,604)	(£71,587,380)	(£43,429,266)	(£16,065,970)	£9,689,687	£34,326,397	£58,185,205	£81,620,130	£104,472,403	£126,868,308	£148,969,732
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£248,639,813)	(£210,461,961)	(£175,181,670)	(£142,311,577)	(£111,248,338)	(£81,652,893)	(£53,038,693)	(£25,441,416)	£810,750	£25,921,810	£49,837,948	£73,472,568	£96,515,866	£119,051,258	£141,229,693
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v38 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Forward Funded
Nil CIL
20% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v38 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS				
Fixed Price		96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)			96,600,000	
				96,600,000
Stamp Duty			4,821,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,449,000	
Legal Fee		0.75%	724,500	
				6,994,500

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v38 May 2019 Update

Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
Funding Payback (Yr 15)			41,085,000	
				311,258,913
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			51,461,359	
Construction			21,894,106	
Total Finance Cost				73,355,465
TOTAL COSTS				**1,542,585,851**
PROFIT				
				7,232,763

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v38 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£123,208,429)	(£92,537,836)	(£63,231,204)	(£34,972,665)	(£7,509,357)	£18,467,760	£43,430,269	£67,347,856	£90,994,446	£114,085,975	£136,635,683	£158,859,050	£180,778,519	£202,526,799	£224,040,407
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£134,070,039)	(£102,963,703)	(£73,306,769)	(£44,619,795)	(£16,970,260)	£9,581,488	£34,899,942	£58,996,626	£82,785,518	£106,071,902	£128,748,394	£151,083,485	£173,110,819	£194,906,292	£216,482,817
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£145,203,874)	(£113,583,917)	(£83,398,266)	(£54,404,158)	(£26,536,102)	£574,792	£26,159,604	£50,645,397	£74,503,204	£97,971,964	£120,844,897	£143,286,928	£165,409,058	£187,251,460	£208,923,178
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£156,477,989)	(£124,243,557)	(£93,613,176)	(£64,336,205)	(£36,111,409)	(£8,657,081)	£17,290,779	£42,243,882	£66,156,948	£89,804,067	£112,891,458	£135,439,870	£157,666,117	£179,588,709	£201,337,137
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£167,898,473)	(£135,073,448)	(£104,020,585)	(£74,406,001)	(£45,747,862)	(£18,110,775)	£8,407,126	£33,718,542	£57,805,718	£81,595,470	£104,878,481	£127,551,785	£149,889,499	£171,920,672	£193,716,674
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£179,680,712)	(£146,171,310)	(£114,627,232)	(£84,493,574)	(£55,519,239)	(£27,674,846)	(£586,365)	£24,982,250	£49,454,489	£73,312,699	£96,780,751	£119,649,615	£142,092,303	£164,217,809	£186,061,650
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£191,630,895)	(£157,444,981)	(£125,280,943)	(£94,689,741)	(£65,441,443)	(£37,250,153)	(£9,806,082)	£16,113,798	£41,056,781	£64,966,040	£88,613,688	£111,696,941	£134,244,057	£156,473,185	£178,398,899
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£203,853,224)	(£168,821,454)	(£136,079,737)	(£105,077,468)	(£75,505,234)	(£46,875,929)	(£19,251,291)	£7,232,763	£32,537,142	£56,614,810	£80,405,422	£103,685,061	£126,355,176	£148,695,514	£170,730,525
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£216,492,956)	(£180,546,394)	(£147,144,634)	(£115,670,548)	(£85,592,807)	(£56,637,184)	(£28,813,589)	(£1,749,110)	£23,804,896	£48,263,580	£72,122,194	£95,589,538	£118,454,334	£140,897,677	£163,026,560
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£229,264,127)	(£192,495,098)	(£158,411,973)	(£126,324,259)	(£95,769,781)	(£66,546,682)	(£38,388,897)	(£10,956,204)	£14,936,817	£39,869,681	£63,775,132	£87,423,309	£110,502,423	£133,048,244	£155,279,811
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£242,398,048)	(£204,633,205)	(£169,752,366)	(£137,091,167)	(£106,137,412)	(£76,604,466)	(£48,003,997)	(£20,393,339)	£6,057,881	£31,355,743	£55,423,902	£79,215,374	£102,491,640	£125,158,567	£147,501,528
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£255,786,558)	(£217,227,152)	(£181,420,167)	(£148,121,580)	(£116,713,864)	(£86,692,039)	(£57,755,128)	(£29,952,333)	(£2,911,881)	£22,627,542	£47,072,672	£70,931,690	£94,398,326	£117,259,052	£139,703,052
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£269,175,067)	(£229,951,551)	(£193,360,780)	(£159,378,965)	(£127,367,574)	(£96,849,821)	(£67,651,921)	(£39,527,641)	(£12,107,515)	£13,759,837	£38,682,581	£62,584,223	£86,232,930	£109,307,906	£131,851,874
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£282,563,577)	(£242,992,946)	(£205,429,471)	(£170,691,167)	(£138,106,398)	(£107,198,846)	(£77,703,698)	(£49,135,000)	(£21,535,711)	£4,880,900	£30,174,343	£54,232,994	£78,025,327	£101,298,219	£123,961,959
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£295,952,087)	(£256,360,734)	(£217,961,348)	(£182,303,115)	(£149,101,703)	(£117,757,180)	(£87,791,271)	(£58,873,073)	(£31,091,077)	(£4,076,907)	£21,450,188	£45,881,764	£69,741,185	£93,207,068	£116,063,771
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v39 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Forward Funded
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v39 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v39 May 2019 Update

Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
Funding Payback (Yr 15)			41,085,000	
				311,258,913
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			66,338,836	
Construction			21,894,106	
Total Finance Cost				88,232,942
TOTAL COSTS				**1,574,730,578**
PROFIT				
				24,911,964

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v39 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£162,477,998)	(£129,855,285)	(£98,910,238)	(£69,357,575)	(£40,714,188)	(£13,066,892)	£13,638,921	£39,071,243	£63,391,672	£87,249,688	£110,743,725	£133,631,545	£156,102,999	£178,273,375	£200,135,100
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£174,114,770)	(£140,868,881)	(£109,480,502)	(£79,445,148)	(£50,486,415)	(£22,634,476)	£4,568,520	£30,239,866	£55,000,435	£78,903,223	£102,564,429	£125,682,620	£148,227,383	£170,522,719	£192,472,349
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£186,042,151)	(£152,115,810)	(£120,134,213)	(£89,618,289)	(£60,400,746)	(£32,209,784)	(£4,735,754)	£21,360,929	£46,522,172	£70,551,993	£94,347,723	£117,667,221	£140,337,468	£162,736,571	£184,795,070
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£198,089,464)	(£163,420,058)	(£130,872,197)	(£99,971,672)	(£70,456,807)	(£41,842,255)	(£14,207,408)	£12,467,079	£37,891,873	£62,200,764	£86,059,184	£109,552,512	£132,436,264	£154,907,847	£177,081,355
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£210,582,950)	(£175,003,978)	(£141,853,475)	(£110,523,818)	(£80,544,380)	(£51,604,359)	(£23,773,220)	£3,409,500	£29,062,885	£53,813,335	£77,712,315	£101,374,050	£124,488,103	£147,030,775	£169,328,733
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£223,272,108)	(£186,907,833)	(£153,082,802)	(£121,177,529)	(£90,699,586)	(£61,505,985)	(£33,348,528)	(£5,882,069)	£20,183,948	£45,337,840	£69,361,085	£93,157,675	£116,474,770	£139,140,860	£161,542,333
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£236,221,750)	(£198,908,320)	(£164,369,893)	(£131,891,195)	(£101,034,292)	(£71,556,039)	(£42,970,322)	(£15,347,923)	£11,295,236	£36,712,503	£61,009,855	£84,868,679	£108,361,299	£131,240,982	£153,712,696
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£249,544,793)	(£211,317,146)	(£175,901,678)	(£142,840,869)	(£111,567,134)	(£81,643,612)	(£52,722,304)	(£24,911,964)	£2,250,481	£27,885,904	£52,626,234	£76,521,406	£100,183,671	£123,293,585	£145,834,166
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£262,933,302)	(£223,994,037)	(£187,773,515)	(£154,049,794)	(£122,220,844)	(£91,784,385)	(£62,614,039)	(£34,487,271)	(£7,028,384)	£19,006,968	£44,153,508	£68,170,177	£91,967,627	£115,282,319	£137,944,251
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£276,321,812)	(£236,864,183)	(£199,742,838)	(£165,326,849)	(£132,915,373)	(£102,100,330)	(£72,655,272)	(£44,099,761)	(£16,488,439)	£10,120,893	£35,533,133	£59,818,947	£83,678,174	£107,170,086	£130,045,429
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£289,710,322)	(£250,118,969)	(£212,061,093)	(£176,807,496)	(£143,833,252)	(£112,612,934)	(£82,742,845)	(£53,840,249)	(£26,050,708)	£1,091,461	£26,708,923	£51,439,134	£75,330,498	£98,993,292	£122,099,068
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£303,098,832)	(£263,507,479)	(£224,728,233)	(£188,639,197)	(£155,016,786)	(£123,264,160)	(£92,869,185)	(£63,722,383)	(£35,626,015)	(£8,174,699)	£17,829,987	£42,969,176	£66,979,269	£90,777,579	£114,089,868
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£316,487,341)	(£276,895,989)	(£237,525,512)	(£200,591,653)	(£166,290,901)	(£133,943,039)	(£103,166,368)	(£73,754,504)	(£45,231,306)	(£17,630,006)	£8,946,530	£34,353,763	£58,628,039	£82,487,670	£105,978,873
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£329,875,851)	(£290,284,498)	(£250,693,146)	(£212,823,268)	(£177,721,362)	(£144,829,473)	(£113,660,724)	(£83,842,077)	(£54,960,000)	(£27,189,452)	(£67,559)	£25,531,943	£50,251,287	£74,139,590	£97,802,913
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£343,264,361)	(£303,673,008)	(£264,081,656)	(£225,462,429)	(£189,504,879)	(£155,983,777)	(£124,307,476)	(£93,957,795)	(£64,830,727)	(£36,764,759)	(£9,322,578)	£16,653,006	£41,784,844	£65,788,360	£89,587,531
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v40 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Forward Funded
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v40 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs			5.85%	1,006,059	
Effective Purchaser's Costs Rate			5.85%		1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS

Fixed Price		112,700,000	
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000
Stamp Duty		5,626,000	
Effective Stamp Duty Rate		4.99%	
Agent Fee		1.50%	1,690,500
Legal Fee		0.75%	845,250
			8,161,750

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v40 May 2019 Update

Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		20.00%	248,945,355	
Funding Payback (Yr 15)			41,085,000	
				311,258,913
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			66,338,836	
Construction			21,894,106	
Total Finance Cost				88,232,942
TOTAL COSTS				**1,574,730,578**
PROFIT				
				24,911,964

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v40 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£162,477,998)	(£129,855,285)	(£98,910,238)	(£69,357,575)	(£40,714,188)	(£13,066,892)	£13,638,921	£39,071,243	£63,391,672	£87,249,688	£110,743,725	£133,631,545	£156,102,999	£178,273,375	£200,135,100
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£174,114,770)	(£140,868,881)	(£109,480,502)	(£79,445,148)	(£50,486,415)	(£22,634,476)	£4,568,520	£30,239,866	£55,000,435	£78,903,223	£102,564,429	£125,682,620	£148,227,383	£170,522,719	£192,472,349
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£186,042,151)	(£152,115,810)	(£120,134,213)	(£89,618,289)	(£60,400,746)	(£32,209,784)	(£4,735,754)	£21,360,929	£46,522,172	£70,551,993	£94,347,723	£117,667,221	£140,337,468	£162,736,571	£184,795,070
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£198,089,464)	(£163,420,058)	(£130,872,197)	(£99,971,672)	(£70,456,807)	(£41,842,255)	(£14,207,408)	£12,467,079	£37,891,873	£62,200,764	£86,059,184	£109,552,512	£132,436,264	£154,907,847	£177,081,355
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£210,582,950)	(£175,003,978)	(£141,853,475)	(£110,523,818)	(£80,544,380)	(£51,604,359)	(£23,773,220)	£3,409,500	£29,062,885	£53,813,335	£77,712,315	£101,374,050	£124,488,103	£147,030,775	£169,328,733
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£223,272,108)	(£186,907,833)	(£153,082,802)	(£121,177,529)	(£90,699,586)	(£61,505,985)	(£33,348,528)	(£5,882,069)	£20,183,948	£45,337,840	£69,361,085	£93,157,675	£116,474,770	£139,140,860	£161,542,333
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£236,221,750)	(£198,908,320)	(£164,369,893)	(£131,891,195)	(£101,034,292)	(£71,556,039)	(£42,970,322)	(£15,347,923)	£11,295,236	£36,712,503	£61,009,855	£84,868,679	£108,361,299	£131,240,982	£153,712,696
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£249,544,793)	(£211,317,146)	(£175,901,678)	(£142,840,869)	(£111,567,134)	(£81,643,612)	(£52,722,304)	(£24,911,964)	£2,250,481	£27,885,904	£52,626,234	£76,521,406	£100,183,671	£123,293,585	£145,834,166
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£262,933,302)	(£223,994,037)	(£187,773,515)	(£154,049,794)	(£122,220,844)	(£91,784,385)	(£62,614,039)	(£34,487,271)	(£7,028,384)	£19,006,968	£44,153,508	£68,170,177	£91,967,627	£115,282,319	£137,944,251
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£276,321,812)	(£236,864,183)	(£199,742,838)	(£165,326,849)	(£132,915,373)	(£102,100,330)	(£72,655,272)	(£44,099,761)	(£16,488,439)	£10,120,893	£35,533,133	£59,818,947	£83,678,174	£107,170,086	£130,045,429
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£289,710,322)	(£250,118,969)	(£212,061,093)	(£176,807,496)	(£143,833,252)	(£112,612,934)	(£82,742,845)	(£53,840,249)	(£26,050,708)	£1,091,461	£26,708,923	£51,439,134	£75,330,498	£98,993,292	£122,099,068
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£303,098,832)	(£263,507,479)	(£224,728,233)	(£188,639,197)	(£155,016,786)	(£123,264,160)	(£92,869,185)	(£63,722,383)	(£35,626,015)	(£8,174,699)	£17,829,987	£42,969,176	£66,979,269	£90,777,579	£114,089,868
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£316,487,341)	(£276,895,989)	(£237,525,512)	(£200,591,653)	(£166,290,901)	(£133,943,039)	(£103,166,368)	(£73,754,504)	(£45,231,306)	(£17,630,006)	£8,946,530	£34,353,763	£58,628,039	£82,487,670	£105,978,873
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£329,875,851)	(£290,284,498)	(£250,693,146)	(£212,823,268)	(£177,721,362)	(£144,829,473)	(£113,660,724)	(£83,842,077)	(£54,960,000)	(£27,189,452)	(£67,559)	£25,531,943	£50,251,287	£74,139,590	£97,802,913
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£343,264,361)	(£303,673,008)	(£264,081,656)	(£225,462,429)	(£189,504,879)	(£155,983,777)	(£124,307,476)	(£93,957,795)	(£64,830,727)	(£36,764,759)	(£9,322,578)	£16,653,006	£41,784,844	£65,788,360	£89,587,531
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
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Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v41 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Forward Funded
Nil CIL
17.5% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v41 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs			5.85%	1,006,059	
Effective Purchaser's Costs Rate			5.85%		1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS

Fixed Price		96,600,000	
Fixed Price (322.00 Ha @ 300,000.00 /Hect)			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate		4.99%	
Agent Fee		1.50%	1,449,000
Legal Fee		0.75%	724,500
			6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
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New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
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MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		17.50%	217,827,186	
Funding Payback (Yr 15)			41,085,000	
				280,140,744
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			51,461,359	
Construction			21,894,106	
Total Finance Cost				73,355,465
TOTAL COSTS				**1,511,467,681**
PROFIT				
				38,350,932

Performance Measures

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Eastleigh BC - Strategic Growth Option
Base Appraisal v41 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£94,994,591)	(£63,909,094)	(£34,187,557)	(£5,514,114)	£22,364,099	£48,756,120	£74,133,534	£98,466,026	£122,527,520	£146,033,954	£168,998,566	£191,636,837	£213,971,211	£236,134,395	£258,062,908
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£105,856,202)	(£74,334,961)	(£44,263,122)	(£15,161,244)	£12,903,196	£39,869,849	£65,603,207	£90,114,796	£114,318,592	£138,019,880	£161,111,277	£183,861,273	£206,303,511	£228,513,888	£250,505,318
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£116,990,036)	(£84,955,174)	(£54,354,619)	(£24,945,607)	£3,337,354	£30,863,152	£56,862,869	£81,763,566	£106,036,278	£129,919,942	£153,207,780	£176,064,715	£198,601,750	£220,859,057	£242,945,679
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£128,264,151)	(£95,614,814)	(£64,569,529)	(£34,877,653)	(£6,237,953)	£21,631,279	£47,994,044	£73,362,051	£97,690,022	£121,752,045	£145,254,341	£168,217,657	£190,858,809	£213,196,305	£235,359,638
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£139,684,635)	(£106,444,706)	(£74,976,938)	(£44,947,450)	(£15,874,406)	£12,177,585	£39,110,390	£64,836,712	£89,338,792	£113,543,449	£137,241,364	£160,329,572	£183,082,191	£205,528,268	£227,739,175
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£151,466,874)	(£117,542,567)	(£85,583,585)	(£55,035,023)	(£25,645,783)	£2,613,515	£30,116,900	£56,100,419	£80,987,563	£105,260,677	£129,143,634	£152,427,403	£175,284,994	£197,825,406	£220,084,151
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£163,417,058)	(£128,816,239)	(£96,237,296)	(£65,231,190)	(£35,567,988)	(£6,961,793)	£20,897,183	£47,231,968	£72,589,855	£96,914,018	£120,976,571	£144,474,728	£167,436,749	£190,080,781	£212,421,400
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£175,639,387)	(£140,192,712)	(£107,036,090)	(£75,618,916)	(£45,631,778)	(£16,587,569)	£11,451,974	£38,350,932	£64,070,216	£88,562,788	£112,768,305	£136,462,848	£159,547,868	£182,303,110	£204,753,026
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£188,279,118)	(£151,917,652)	(£118,100,987)	(£86,211,997)	(£55,719,351)	(£26,348,823)	£1,889,675	£29,369,059	£55,337,970	£80,211,559	£104,485,077	£128,367,326	£151,647,025	£174,505,274	£197,049,061
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£201,050,289)	(£163,866,356)	(£129,368,326)	(£96,865,707)	(£65,896,325)	(£36,258,322)	(£7,685,632)	£20,161,966	£46,469,891	£71,817,659	£96,138,014	£120,201,096	£143,695,115	£166,655,840	£189,302,312
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£214,184,210)	(£176,004,463)	(£140,708,720)	(£107,632,616)	(£76,263,956)	(£46,316,106)	(£17,300,732)	£10,724,830	£37,590,955	£63,303,721	£87,786,785	£111,993,162	£135,684,332	£158,766,164	£181,524,029
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£227,572,720)	(£188,598,410)	(£152,376,520)	(£118,663,029)	(£86,840,408)	(£56,403,678)	(£27,051,863)	£1,165,836	£28,621,193	£54,575,520	£79,435,555	£103,709,477	£127,591,018	£150,866,648	£173,725,553
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£240,961,229)	(£201,322,808)	(£164,317,133)	(£129,920,413)	(£97,494,119)	(£66,561,461)	(£36,948,656)	(£8,409,471)	£19,425,559	£45,707,815	£71,045,464	£95,362,011	£119,425,622	£142,915,502	£165,874,375
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£254,349,739)	(£214,364,204)	(£176,385,824)	(£141,232,615)	(£108,232,942)	(£76,910,486)	(£47,000,433)	(£18,016,830)	£9,997,363	£36,828,879	£62,537,226	£87,010,781	£111,218,018	£134,905,815	£157,984,460
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£267,738,249)	(£227,731,992)	(£188,917,701)	(£152,844,563)	(£119,228,247)	(£87,468,819)	(£57,088,006)	(£27,754,904)	£441,997	£27,871,071	£53,813,071	£78,659,551	£102,933,877	£126,814,664	£150,086,271
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
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Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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5,058 Unit Residential Greenfield
35% Affordable Housing
Forward Funded
Nil CIL
17.5% Profit Private / 6% Profit AH
£350,000/ha Land

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Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
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Effective Purchaser's Costs Rate			5.85%		1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS

Fixed Price		112,700,000	
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000
Stamp Duty		5,626,000	
Effective Stamp Duty Rate		4.99%	
Agent Fee		1.50%	1,690,500
Legal Fee		0.75%	845,250
			8,161,750

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

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Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
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Education Provision			48,016,000	
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Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
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New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
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AH Profit		6.00%	16,457,418	
Market Profit		17.50%	217,827,186	
Funding Payback (Yr 15)			41,085,000	
				280,140,744
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			66,338,836	
Construction			21,894,106	
Total Finance Cost				88,232,942
TOTAL COSTS				**1,543,612,408**
PROFIT				
				6,206,205

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v42 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£134,264,160)	(£101,226,543)	(£69,866,591)	(£39,899,023)	(£10,840,732)	£17,221,468	£44,342,186	£70,189,412	£94,924,746	£119,197,667	£143,106,607	£166,409,333	£189,295,691	£211,880,972	£234,157,601
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£145,900,932)	(£112,240,138)	(£80,436,855)	(£49,986,596)	(£20,612,959)	£7,653,884	£35,271,785	£61,358,035	£86,533,509	£110,851,201	£134,927,312	£158,460,408	£181,420,075	£204,130,316	£226,494,850
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£157,828,313)	(£123,487,068)	(£91,090,566)	(£60,159,737)	(£30,527,290)	(£1,921,423)	£25,967,511	£52,479,098	£78,055,246	£102,499,972	£126,710,606	£150,445,008	£173,530,160	£196,344,167	£218,817,571
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£169,875,626)	(£134,791,316)	(£101,828,550)	(£70,513,121)	(£40,583,351)	(£11,553,895)	£16,495,857	£43,585,248	£69,424,947	£94,148,742	£118,422,066	£142,330,299	£165,628,956	£188,515,444	£211,103,856
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£182,369,112)	(£146,375,236)	(£112,809,829)	(£81,065,267)	(£50,670,924)	(£21,315,999)	£6,930,045	£34,527,670	£60,595,959	£85,761,313	£110,075,198	£134,151,837	£157,680,795	£180,638,371	£203,351,234
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£195,058,270)	(£158,279,090)	(£124,039,155)	(£91,718,977)	(£60,826,130)	(£31,217,624)	(£2,645,263)	£25,236,100	£51,717,022	£77,285,818	£101,723,968	£125,935,463	£149,667,462	£172,748,456	£195,564,834
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£208,007,912)	(£170,279,578)	(£135,326,246)	(£102,432,644)	(£71,160,836)	(£41,267,679)	(£12,267,057)	£15,770,246	£42,828,310	£68,660,481	£93,372,738	£117,646,466	£141,553,991	£164,848,579	£187,735,196
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£221,330,955)	(£182,688,404)	(£146,858,031)	(£113,382,317)	(£81,693,678)	(£51,355,252)	(£22,019,039)	£6,206,205	£33,783,555	£59,833,882	£84,989,117	£109,299,194	£133,376,363	£156,901,182	£179,856,667
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£234,719,464)	(£195,365,294)	(£158,729,868)	(£124,591,242)	(£92,347,388)	(£61,496,025)	(£31,910,774)	(£3,369,102)	£24,504,690	£50,954,946	£76,516,391	£100,947,964	£125,160,319	£148,889,916	£171,966,752
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£248,107,974)	(£208,235,440)	(£170,699,191)	(£135,868,298)	(£103,041,917)	(£71,811,969)	(£41,952,007)	(£12,981,592)	£15,044,635	£42,068,871	£67,896,016	£92,596,735	£116,870,866	£140,777,682	£164,067,930
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£261,496,484)	(£221,490,227)	(£183,017,446)	(£147,348,945)	(£113,959,796)	(£82,324,574)	(£52,039,580)	(£22,722,079)	£5,482,366	£33,039,439	£59,071,806	£84,216,921	£108,523,190	£132,600,888	£156,121,569
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£274,884,994)	(£234,878,737)	(£195,684,586)	(£159,180,646)	(£125,143,330)	(£92,975,800)	(£62,165,920)	(£32,604,213)	(£4,092,941)	£23,773,279	£50,192,870	£75,746,963	£100,171,961	£124,385,176	£148,112,369
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£288,273,503)	(£248,267,246)	(£208,481,865)	(£171,133,101)	(£136,417,445)	(£103,654,678)	(£72,463,103)	(£42,636,335)	(£13,698,232)	£14,317,972	£41,309,413	£67,131,550	£91,820,731	£116,095,266	£140,001,374
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£301,662,013)	(£261,655,756)	(£221,649,499)	(£183,364,716)	(£147,847,906)	(£114,541,113)	(£82,957,460)	(£52,723,908)	(£23,426,926)	£4,758,527	£32,295,324	£58,309,730	£83,443,978	£107,747,186	£131,825,414
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£315,050,523)	(£275,044,266)	(£235,038,009)	(£196,003,877)	(£159,631,423)	(£125,695,417)	(£93,604,211)	(£62,839,625)	(£33,297,653)	(£4,816,781)	£23,040,305	£49,430,793	£74,977,536	£99,395,957	£123,610,032
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
Base Appraisal v43 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Forward Funded
Nil CIL
15% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v43 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS				
Fixed Price		80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)			80,500,000	
				80,500,000
Stamp Duty			4,016,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,207,500	
Legal Fee		0.75%	603,750	
				5,827,250

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v43 May 2019 Update

Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		15.00%	186,709,017	
Funding Payback (Yr 15)			41,085,000	
				249,022,574
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			39,253,159	
Construction			21,894,106	
Total Finance Cost				61,147,265
TOTAL COSTS				**1,450,874,061**
PROFIT				
				98,944,552

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v43 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000% 1,117.87 /m²	(£29,842,296) (£80,500,000)	£48,836 (£80,500,000)	£28,788,311 (£80,500,000)	£56,630,870 (£80,500,000)	£82,957,392 (£80,500,000)	£108,017,981 (£80,500,000)	£132,629,843 (£80,500,000)	£156,703,199 (£80,500,000)	£180,225,467 (£80,500,000)	£203,318,491 (£80,500,000)	£226,147,704 (£80,500,000)	£248,753,029 (£80,500,000)	£271,117,622 (£80,500,000)	£293,429,409 (£80,500,000)	£315,662,206 (£80,500,000)
-6.000% 1,129.89 /m²	(£40,122,769) (£80,500,000)	(£9,915,771) (£80,500,000)	£19,213,003 (£80,500,000)	£47,464,063 (£80,500,000)	£74,144,522 (£80,500,000)	£99,665,469 (£80,500,000)	£124,353,754 (£80,500,000)	£148,623,772 (£80,500,000)	£172,319,677 (£80,500,000)	£195,540,208 (£80,500,000)	£218,460,412 (£80,500,000)	£241,113,205 (£80,500,000)	£263,560,032 (£80,500,000)	£285,871,818 (£80,500,000)	£308,158,962 (£80,500,000)
-5.000% 1,141.91 /m²	(£50,612,154) (£80,500,000)	(£19,998,478) (£80,500,000)	£9,560,950 (£80,500,000)	£38,043,476 (£80,500,000)	£65,265,585 (£80,500,000)	£91,238,128 (£80,500,000)	£116,008,111 (£80,500,000)	£140,470,423 (£80,500,000)	£164,359,390 (£80,500,000)	£187,727,821 (£80,500,000)	£210,727,189 (£80,500,000)	£233,450,454 (£80,500,000)	£255,994,607 (£80,500,000)	£278,314,228 (£80,500,000)	£300,625,717 (£80,500,000)
-4.000% 1,153.93 /m²	(£61,259,655) (£80,500,000)	(£30,102,035) (£80,500,000)	(£236,026) (£80,500,000)	£28,479,376 (£80,500,000)	£56,295,894 (£80,500,000)	£82,609,010 (£80,500,000)	£107,656,881 (£80,500,000)	£132,269,604 (£80,500,000)	£156,338,591 (£80,500,000)	£179,858,667 (£80,500,000)	£202,954,314 (£80,500,000)	£225,787,702 (£80,500,000)	£248,393,271 (£80,500,000)	£270,756,638 (£80,500,000)	£293,068,425 (£80,500,000)
-3.000% 1,165.95 /m²	(£71,956,750) (£80,500,000)	(£40,363,656) (£80,500,000)	(£10,188,164) (£80,500,000)	£18,904,068 (£80,500,000)	£47,142,361 (£80,500,000)	£73,797,350 (£80,500,000)	£99,305,652 (£80,500,000)	£123,993,058 (£80,500,000)	£148,261,755 (£80,500,000)	£171,954,205 (£80,500,000)	£195,176,031 (£80,500,000)	£218,099,054 (£80,500,000)	£240,753,204 (£80,500,000)	£263,199,048 (£80,500,000)	£285,510,835 (£80,500,000)
-2.000% 1,177.97 /m²	(£82,893,622) (£80,500,000)	(£50,830,408) (£80,500,000)	(£20,267,902) (£80,500,000)	£9,263,634 (£80,500,000)	£37,732,612 (£80,500,000)	£64,918,413 (£80,500,000)	£90,883,037 (£80,500,000)	£115,647,012 (£80,500,000)	£140,109,853 (£80,500,000)	£163,994,855 (£80,500,000)	£187,362,479 (£80,500,000)	£210,364,065 (£80,500,000)	£233,090,452 (£80,500,000)	£255,634,145 (£80,500,000)	£277,953,244 (£80,500,000)
-1.000% 1,189.99 /m²	(£94,105,370) (£80,500,000)	(£61,473,162) (£80,500,000)	(£30,364,234) (£80,500,000)	(£520,889) (£80,500,000)	£28,170,441 (£80,500,000)	£55,960,135 (£80,500,000)	£82,260,628 (£80,500,000)	£107,295,782 (£80,500,000)	£131,909,365 (£80,500,000)	£155,973,982 (£80,500,000)	£179,491,867 (£80,500,000)	£202,590,138 (£80,500,000)	£225,427,701 (£80,500,000)	£248,033,513 (£80,500,000)	£270,395,654 (£80,500,000)
0.000% 1,202.01 /m²	(£105,393,033) (£80,500,000)	(£72,153,012) (£80,500,000)	(£40,604,631) (£80,500,000)	(£10,460,557) (£80,500,000)	£18,595,134 (£80,500,000)	£46,819,239 (£80,500,000)	£73,450,178 (£80,500,000)	£98,944,552 (£80,500,000)	£123,632,362 (£80,500,000)	£147,899,738 (£80,500,000)	£171,588,732 (£80,500,000)	£194,811,854 (£80,500,000)	£217,737,614 (£80,500,000)	£240,393,203 (£80,500,000)	£262,838,064 (£80,500,000)
+1.000% 1,214.03 /m²	(£116,943,123) (£80,500,000)	(£83,056,196) (£80,500,000)	(£51,052,911) (£80,500,000)	(£20,537,325) (£80,500,000)	£8,965,375 (£80,500,000)	£37,420,049 (£80,500,000)	£64,571,241 (£80,500,000)	£90,527,947 (£80,500,000)	£115,285,913 (£80,500,000)	£139,749,283 (£80,500,000)	£163,630,320 (£80,500,000)	£186,997,136 (£80,500,000)	£210,000,942 (£80,500,000)	£232,730,451 (£80,500,000)	£255,273,682 (£80,500,000)
+2.000% 1,226.05 /m²	(£128,840,301) (£80,500,000)	(£94,242,552) (£80,500,000)	(£61,686,669) (£80,500,000)	(£30,628,783) (£80,500,000)	(£805,751) (£80,500,000)	£27,861,506 (£80,500,000)	£55,622,889 (£80,500,000)	£81,912,247 (£80,500,000)	£106,934,683 (£80,500,000)	£131,549,126 (£80,500,000)	£155,609,374 (£80,500,000)	£179,125,068 (£80,500,000)	£202,225,961 (£80,500,000)	£225,067,700 (£80,500,000)	£247,673,754 (£80,500,000)
+3.000% 1,238.07 /m²	(£140,848,756) (£80,500,000)	(£105,519,539) (£80,500,000)	(£72,353,718) (£80,500,000)	(£40,850,162) (£80,500,000)	(£10,735,229) (£80,500,000)	£18,286,199 (£80,500,000)	£46,495,225 (£80,500,000)	£73,103,006 (£80,500,000)	£98,583,453 (£80,500,000)	£123,271,667 (£80,500,000)	£147,537,722 (£80,500,000)	£171,223,260 (£80,500,000)	£194,447,678 (£80,500,000)	£217,376,174 (£80,500,000)	£240,033,201 (£80,500,000)
+4.000% 1,250.09 /m²	(£153,298,396) (£80,500,000)	(£117,014,404) (£80,500,000)	(£83,223,701) (£80,500,000)	(£51,275,414) (£80,500,000)	(£20,806,748) (£80,500,000)	£8,667,117 (£80,500,000)	£37,107,486 (£80,500,000)	£64,224,070 (£80,500,000)	£90,172,857 (£80,500,000)	£114,924,813 (£80,500,000)	£139,388,713 (£80,500,000)	£163,265,785 (£80,500,000)	£186,631,793 (£80,500,000)	£209,637,818 (£80,500,000)	£232,370,450 (£80,500,000)
+5.000% 1,262.11 /m²	(£165,983,269) (£80,500,000)	(£128,876,174) (£80,500,000)	(£94,379,735) (£80,500,000)	(£61,900,175) (£80,500,000)	(£30,894,321) (£80,500,000)	(£1,093,287) (£80,500,000)	£27,552,571 (£80,500,000)	£55,285,643 (£80,500,000)	£81,563,865 (£80,500,000)	£106,573,584 (£80,500,000)	£131,188,887 (£80,500,000)	£155,244,766 (£80,500,000)	£178,758,268 (£80,500,000)	£201,861,784 (£80,500,000)	£224,707,699 (£80,500,000)
+6.000% 1,274.13 /m²	(£178,906,882) (£80,500,000)	(£140,848,762) (£80,500,000)	(£105,653,850) (£80,500,000)	(£72,559,120) (£80,500,000)	(£41,095,692) (£80,500,000)	(£11,010,659) (£80,500,000)	£17,977,264 (£80,500,000)	£46,170,368 (£80,500,000)	£72,755,834 (£80,500,000)	£98,222,354 (£80,500,000)	£122,910,971 (£80,500,000)	£147,175,705 (£80,500,000)	£170,857,787 (£80,500,000)	£194,083,501 (£80,500,000)	£217,014,734 (£80,500,000)
+7.000% 1,286.15 /m²	(£192,212,137) (£80,500,000)	(£153,204,476) (£80,500,000)	(£117,094,376) (£80,500,000)	(£83,394,474) (£80,500,000)	(£51,501,426) (£80,500,000)	(£21,076,172) (£80,500,000)	£8,367,837 (£80,500,000)	£36,794,923 (£80,500,000)	£63,876,898 (£80,500,000)	£89,817,766 (£80,500,000)	£114,563,714 (£80,500,000)	£139,028,143 (£80,500,000)	£162,901,250 (£80,500,000)	£186,266,451 (£80,500,000)	£209,274,695 (£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option
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5,058 Unit Residential Greenfield
35% Affordable Housing
Forward Funded
Nil CIL
15% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
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Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS

Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		15.00%	186,709,017	
Funding Payback (Yr 15)			41,085,000	
				249,022,574
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			51,461,359	
Construction			21,894,106	
Total Finance Cost				73,355,465
TOTAL COSTS				**1,480,349,512**
PROFIT				
				69,469,102

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v44 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£66,780,753)	(£35,280,352)	(£5,143,910)	£23,944,438	£52,237,555	£79,044,481	£104,836,799	£129,584,195	£154,060,594	£177,981,932	£201,361,449	£224,414,625	£247,163,903	£269,741,991	£292,085,409
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£77,642,364)	(£45,706,218)	(£15,219,475)	£14,297,308	£42,776,652	£70,158,209	£96,306,472	£121,232,965	£145,851,666	£169,967,859	£193,474,159	£216,639,060	£239,496,203	£262,121,484	£284,527,819
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£88,776,198)	(£56,326,432)	(£25,310,972)	£4,512,944	£33,210,810	£61,151,513	£87,566,134	£112,881,736	£137,569,352	£161,867,921	£185,570,662	£208,842,503	£231,794,442	£254,466,653	£276,968,180
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£100,050,313)	(£66,986,072)	(£35,525,882)	(£5,419,102)	£23,635,503	£51,919,640	£78,697,309	£104,480,221	£129,223,096	£153,700,024	£177,617,224	£200,995,444	£224,051,501	£246,803,902	£269,382,139
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£111,470,797)	(£77,815,963)	(£45,933,292)	(£15,488,899)	£13,999,050	£42,465,946	£69,813,655	£95,954,881	£120,871,866	£145,491,427	£169,604,247	£193,107,360	£216,274,883	£239,135,865	£261,761,676
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£123,253,036)	(£88,913,825)	(£56,539,939)	(£25,576,471)	£4,227,673	£32,901,875	£60,820,165	£87,218,589	£112,520,636	£137,208,656	£161,506,517	£185,205,190	£208,477,686	£231,433,002	£254,106,652
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£135,203,220)	(£100,187,496)	(£67,193,649)	(£35,772,639)	(£5,694,532)	£23,326,568	£51,600,448	£78,350,137	£104,122,929	£128,861,997	£153,339,454	£177,252,515	£200,629,440	£223,688,378	£246,443,900
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£147,425,549)	(£111,563,969)	(£77,992,443)	(£46,160,365)	(£15,758,322)	£13,700,791	£42,155,239	£69,469,102	£95,603,290	£120,510,767	£145,131,188	£169,240,635	£192,740,560	£215,910,706	£238,775,526
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£160,065,280)	(£123,288,909)	(£89,057,341)	(£56,753,445)	(£25,845,895)	£3,939,537	£32,592,940	£60,487,229	£86,871,044	£112,159,537	£136,847,960	£161,145,113	£184,839,717	£208,112,870	£231,071,562
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£172,836,451)	(£135,237,613)	(£100,324,679)	(£67,407,156)	(£36,022,869)	(£5,969,961)	£23,017,633	£51,280,135	£78,002,965	£103,765,638	£128,500,897	£152,978,884	£176,887,807	£200,263,436	£223,324,813
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£185,970,372)	(£147,375,720)	(£111,665,073)	(£78,174,064)	(£46,390,500)	(£16,027,745)	£13,402,533	£41,843,000	£69,124,029	£95,251,699	£120,149,668	£144,770,949	£168,877,024	£192,373,760	£215,546,530
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£199,358,882)	(£159,969,667)	(£123,332,873)	(£89,204,477)	(£56,966,952)	(£26,115,318)	£3,651,401	£32,284,006	£60,154,267	£86,523,499	£111,798,438	£136,487,265	£160,783,709	£184,474,245	£207,748,054
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£212,747,391)	(£172,694,066)	(£135,273,486)	(£100,461,862)	(£67,620,663)	(£36,273,100)	(£6,245,391)	£22,708,698	£50,958,633	£77,655,794	£103,408,347	£128,139,798	£152,618,314	£176,523,098	£199,896,876
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£226,135,901)	(£185,735,461)	(£147,342,177)	(£111,774,064)	(£78,359,486)	(£46,622,125)	(£16,297,169)	£13,101,339	£41,530,437	£68,776,857	£94,900,109	£119,788,568	£144,410,710	£168,513,412	£192,006,961
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£239,524,411)	(£199,103,249)	(£159,874,054)	(£123,386,012)	(£89,354,791)	(£57,180,459)	(£26,384,741)	£3,363,266	£31,975,071	£59,819,049	£86,175,954	£111,437,339	£136,126,569	£160,422,261	£184,108,772
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v45 May 2019 Update

5,058 Unit Residential Greenfield
35% Affordable Housing
Forward Funded
Nil CIL
15% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v45 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,288	331,923.60	3,750.04	378,567	1,244,726,777	0	1,244,726,777
Affordable Housing	1,770	146,290.50	1,874.97	154,966	274,290,299	0	274,290,299
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,062**	**478,214.10**			**1,533,627,076**	**0**	**1,533,627,076**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,550,824,673**
Purchaser's Costs			5.85%	1,006,059	
Effective Purchaser's Costs Rate			5.85%		1,006,059
NET DEVELOPMENT VALUE					**1,549,818,614**
NET REALISATION					**1,549,818,614**

OUTLAY

ACQUISITION COSTS

Fixed Price		112,700,000	
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000
Stamp Duty		5,626,000	
Effective Stamp Duty Rate		4.99%	
Agent Fee		1.50%	1,690,500
Legal Fee		0.75%	845,250
			8,161,750

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	335,408.88	1,202.01	403,164,828
Affordable Housing	151,600.50	1,202.01	182,225,317
Totals	**492,428.70 m²**		**592,181,791**
Contingency		5.00%	30,588,365
Site Works & Infrastructure	5,058.00 un	35,000.00 /un	177,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	11,707,803	
Part M4(2) - 80%	3,288.00 un	1,511.00 /un	4,968,168	
Part M4(3) - 7% Market Housing	3,288.00 un	1,401.00 /un	4,606,488	
Part M4(3) - 8% AH	1,770.00 un	1,602.00 /un	2,835,540	
Link Road Outside SGO			21,682,000	
Education Provision			48,016,000	
M3 J 12 Improvements			10,700,000	
Public Art			1,980,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				967,857,655
PROFESSIONAL FEES				
Professional Fees		10.00%	76,242,014	
				76,242,014
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	37,341,803	
Sales Legal Fee	5,058.00 un	750.00 /un	3,793,500	
				41,135,303
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	16,457,418	
Market Profit		15.00%	186,709,017	
Funding Payback (Yr 15)			41,085,000	
				249,022,574
Grant Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			66,338,836	
Construction			21,894,106	
Total Finance Cost				88,232,942
TOTAL COSTS				**1,512,494,239**
PROFIT				
				37,324,375

Performance Measures

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Eastleigh BC - Strategic Growth Option
Base Appraisal v45 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£106,050,322)	(£72,597,800)	(£40,822,944)	(£10,440,472)	£19,032,724	£47,509,829	£75,045,451	£101,307,581	£126,457,820	£151,145,645	£175,469,490	£199,187,120	£222,488,383	£245,488,568	£268,180,102
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£117,687,094)	(£83,611,396)	(£51,393,208)	(£20,528,045)	£9,260,497	£37,942,245	£65,975,050	£92,476,204	£118,066,583	£142,799,180	£167,290,194	£191,238,195	£214,612,767	£237,737,912	£260,517,351
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£129,614,475)	(£94,858,325)	(£62,046,919)	(£30,701,186)	(£653,834)	£28,366,937	£56,670,776	£83,597,268	£109,588,320	£134,447,950	£159,073,489	£183,222,796	£206,722,852	£229,951,764	£252,840,072
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£141,661,788)	(£106,162,573)	(£72,784,903)	(£41,054,569)	(£10,709,895)	£18,734,466	£47,199,122	£74,703,417	£100,958,020	£126,096,720	£150,784,949	£175,108,087	£198,821,648	£222,123,040	£245,126,357
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£154,155,274)	(£117,746,493)	(£83,766,182)	(£51,606,715)	(£20,797,468)	£8,972,361	£37,633,310	£65,645,839	£92,129,033	£117,709,291	£142,438,081	£166,929,625	£190,873,487	£214,245,968	£237,373,735
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£166,844,432)	(£129,650,348)	(£94,995,508)	(£62,260,426)	(£30,952,674)	(£929,264)	£28,058,002	£56,354,270	£83,250,096	£109,233,797	£134,086,851	£158,713,250	£182,860,154	£206,356,053	£229,587,335
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£179,794,074)	(£141,650,835)	(£106,282,599)	(£72,974,092)	(£41,287,380)	(£10,979,319)	£18,436,208	£46,888,416	£74,361,384	£100,608,460	£125,735,621	£150,424,254	£174,746,683	£198,456,175	£221,757,697
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£193,117,117)	(£154,059,661)	(£117,814,384)	(£83,923,766)	(£51,820,222)	(£21,066,891)	£8,684,226	£37,324,375	£65,316,629	£91,781,861	£117,352,000	£142,076,981	£166,569,055	£190,508,778	£213,879,168
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£206,505,627)	(£166,736,552)	(£129,686,221)	(£95,132,691)	(£62,473,933)	(£31,207,665)	(£1,207,509)	£27,749,067	£56,037,764	£82,902,924	£108,879,274	£133,725,752	£158,353,011	£182,497,512	£205,989,253
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£219,894,136)	(£179,606,698)	(£141,655,544)	(£106,409,746)	(£73,168,461)	(£41,523,609)	(£11,248,742)	£18,136,578	£46,577,709	£74,016,850	£100,258,899	£125,374,522	£150,063,558	£174,385,279	£198,090,431
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£233,282,646)	(£192,861,484)	(£153,973,799)	(£117,890,394)	(£84,086,340)	(£52,036,213)	(£21,336,315)	£8,396,090	£37,015,440	£64,987,418	£91,434,689	£116,994,709	£141,715,882	£166,208,485	£190,144,070
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£246,671,156)	(£206,249,994)	(£166,640,939)	(£129,722,094)	(£95,269,874)	(£62,687,439)	(£31,462,655)	(£1,486,044)	£27,440,133	£55,721,258	£82,555,753	£108,524,751	£133,364,652	£157,992,772	£182,134,870
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£260,059,666)	(£219,638,504)	(£179,438,218)	(£141,674,550)	(£106,543,989)	(£73,366,318)	(£41,759,838)	(£11,518,165)	£17,834,842	£46,265,951	£73,672,296	£99,909,338	£125,013,423	£149,702,862	£174,023,875
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£273,448,175)	(£233,027,014)	(£192,605,852)	(£153,906,165)	(£117,974,450)	(£84,252,752)	(£52,254,195)	(£21,605,738)	£8,106,148	£36,706,505	£64,658,207	£91,087,517	£116,636,670	£141,354,783	£165,847,915
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£286,836,685)	(£246,415,523)	(£205,994,362)	(£166,545,326)	(£129,757,967)	(£95,407,057)	(£62,900,946)	(£31,721,456)	(£1,764,579)	£27,131,198	£55,403,188	£82,208,581	£108,170,228	£133,003,553	£157,632,533
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
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Heading	Phase	Rate	No. of Steps
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Construction: Rate /m²
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Heading	Phase	Rate	No. of Steps
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Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
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Eastleigh BC - Strategic Growth Option Appraisal v46 May 2019 Update

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5,258 Unit Residential Greenfield
35% Affordable Housing
Forward Funded (£30.858m)
Nil CIL
17.5% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v46 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS

Fixed Price	112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)		112,700,000	
			112,700,000
Stamp Duty		5,626,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,690,500	
Legal Fee	0.75%	845,250	
			8,161,750

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Appraisal v46 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
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Local Highways Improvements			1,000,000	
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New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
Funding Payback (Yr 15)			41,085,000	
				289,403,991
Forward Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			57,088,274	
Construction			16,472,483	
Total Finance Cost				73,560,757
TOTAL COSTS				**1,577,033,413**
PROFIT				
				32,846,489

Performance Measures

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Eastleigh BC - Strategic Growth Option
Appraisal v46 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£107,669,443)	(£74,962,880)	(£43,745,698)	(£13,520,758)	£15,646,347	£43,752,124	£70,557,469	£96,135,792	£121,341,908	£146,077,629	£170,108,756	£193,826,977	£217,172,093	£240,264,288	£263,135,270
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£119,194,221)	(£85,979,758)	(£54,227,232)	(£23,676,908)	£5,708,355	£34,367,369	£61,432,262	£87,446,853	£112,695,955	£137,622,023	£161,894,847	£185,692,292	£209,165,405	£232,309,025	£255,277,654
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£130,906,323)	(£97,049,524)	(£64,823,913)	(£33,986,913)	(£4,240,927)	£24,735,095	£52,206,501	£78,674,436	£104,018,462	£129,113,128	£153,630,092	£177,505,349	£201,116,897	£224,346,780	£247,390,918
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£142,725,289)	(£108,268,946)	(£75,614,850)	(£44,442,341)	(£14,247,988)	£14,905,915	£42,975,476	£69,773,752	£95,340,968	£120,547,801	£145,281,060	£169,307,114	£193,027,624	£216,376,742	£239,469,408
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£154,900,726)	(£119,758,247)	(£86,617,401)	(£54,923,874)	(£24,393,349)	£4,969,829	£33,607,083	£60,652,834	£86,654,559	£111,901,131	£136,827,038	£161,094,672	£184,891,875	£208,368,990	£231,513,983
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£167,314,984)	(£131,463,686)	(£97,687,167)	(£65,500,320)	(£34,689,938)	(£4,979,453)	£23,987,988	£51,427,073	£77,885,871	£103,223,637	£128,318,844	£152,830,800	£176,703,707	£200,318,395	£223,551,739
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£179,926,874)	(£143,245,478)	(£108,873,059)	(£76,271,031)	(£45,138,984)	(£14,975,218)	£14,164,440	£42,198,828	£68,989,947	£94,546,144	£119,753,693	£144,484,034	£168,505,472	£192,228,271	£215,581,391
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£193,010,092)	(£155,362,229)	(£120,327,862)	(£87,255,043)	(£55,620,517)	(£25,109,856)	£4,231,304	£32,846,489	£59,873,406	£85,861,233	£111,106,306	£136,032,053	£160,294,497	£184,091,015	£207,572,575
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£206,235,802)	(£167,766,027)	(£132,021,050)	(£98,324,809)	(£66,176,727)	(£35,393,289)	(£5,717,978)	£23,238,016	£50,647,646	£77,097,306	£102,428,813	£127,524,561	£152,031,508	£175,902,065	£199,519,260
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£219,800,121)	(£180,305,529)	(£143,773,891)	(£109,481,902)	(£76,927,806)	(£45,835,626)	(£15,704,140)	£13,422,014	£41,421,885	£68,206,142	£93,751,319	£118,959,585	£143,687,009	£167,703,830	£191,428,918
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£233,695,778)	(£193,323,376)	(£155,833,039)	(£120,900,771)	(£87,892,686)	(£56,317,160)	(£25,826,363)	£3,492,778	£32,083,724	£59,093,978	£85,067,907	£110,311,482	£135,237,068	£159,494,322	£183,290,156
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£247,607,126)	(£206,515,577)	(£168,217,070)	(£132,578,413)	(£98,962,452)	(£66,857,364)	(£36,099,612)	(£6,456,504)	£22,487,611	£49,868,218	£76,308,676	£101,633,988	£126,730,278	£151,232,216	£175,100,423
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£261,518,473)	(£219,988,256)	(£180,702,033)	(£144,310,550)	(£110,093,478)	(£77,586,854)	(£46,532,269)	(£16,435,051)	£12,679,588	£40,642,458	£67,422,338	£92,956,495	£118,165,477	£142,889,983	£166,902,188
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£275,429,821)	(£233,841,669)	(£193,636,659)	(£156,313,173)	(£121,478,204)	(£88,530,329)	(£57,013,802)	(£26,543,889)	£2,754,253	£31,319,063	£58,314,551	£84,274,581	£109,516,657	£134,442,083	£158,694,147
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£289,341,169)	(£247,753,017)	(£206,811,261)	(£168,668,112)	(£133,135,776)	(£99,600,095)	(£67,538,791)	(£36,805,935)	(£7,195,030)	£21,737,206	£49,088,790	£75,519,100	£100,839,164	£125,935,936	£150,432,924
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
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Eastleigh BC - Strategic Growth Option Appraisal v47 May 2019 Update

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5,258 Unit Residential Greenfield
35% Affordable Housing
Forward Funded (£30.858m)
Nil CIL
20% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v47 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

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Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

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NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS

Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
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	m²	**Build Rate m²**	**Cost**
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Appraisal v47 May 2019 Update

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Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
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Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
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New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
Funding Payback (Yr 15)			41,085,000	
				321,752,501
Forward Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			44,158,624	
Construction			16,472,483	
Total Finance Cost				60,631,107
TOTAL COSTS				**1,579,185,024**
PROFIT				
				30,694,879

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Appraisal v47 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£99,511,543)	(£68,954,488)	(£39,493,703)	(£10,930,416)	£16,076,346	£41,959,319	£66,799,899	£91,312,003	£115,183,410	£138,542,631	£161,550,545	£184,254,444	£206,760,574	£229,091,979	£251,410,971
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£110,418,015)	(£79,433,982)	(£49,539,620)	(£20,770,025)	£6,844,536	£33,128,001	£58,122,406	£82,802,012	£106,899,284	£130,373,611	£153,504,030	£176,292,199	£198,887,299	£221,238,975	£243,570,379
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£121,482,415)	(£89,937,629)	(£59,731,217)	(£30,712,663)	(£2,510,936)	£24,073,995	£49,444,912	£74,229,749	£98,535,674	£122,175,376	£145,422,281	£168,325,702	£190,977,223	£213,385,971	£235,717,375
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£132,599,501)	(£100,608,958)	(£70,085,596)	(£40,661,945)	(£12,109,903)	£14,865,610	£40,737,297	£65,573,766	£90,085,709	£113,952,202	£137,311,251	£160,322,821	£183,028,093	£205,532,967	£227,864,371
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£143,964,131)	(£111,491,693)	(£80,561,933)	(£50,694,505)	(£21,941,765)	£5,636,580	£31,911,440	£56,896,272	£81,576,419	£105,668,908	£129,140,660	£152,274,099	£175,065,849	£197,660,704	£220,011,367
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£155,611,550)	(£122,551,367)	(£91,055,372)	(£60,875,563)	(£31,882,497)	(£3,705,160)	£22,862,759	£48,218,779	£73,004,224	£97,307,339	£120,942,425	£144,191,837	£167,099,042	£189,751,046	£212,158,363
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£167,338,005)	(£133,649,790)	(£101,706,816)	(£71,216,704)	(£41,831,779)	(£13,289,390)	£13,654,873	£39,515,276	£64,347,633	£88,859,415	£112,720,718	£136,079,726	£159,095,098	£181,801,743	£204,305,359
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£179,329,801)	(£144,979,518)	(£112,569,254)	(£81,689,885)	(£51,851,346)	(£23,113,505)	£4,428,623	£30,694,879	£55,670,139	£80,350,827	£104,438,532	£127,907,709	£151,043,656	£173,839,498	£196,434,108
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£191,682,733)	(£156,600,222)	(£123,620,318)	(£92,178,155)	(£62,019,908)	(£33,052,332)	(£4,900,745)	£21,651,522	£46,992,645	£71,778,699	£96,079,005	£119,709,474	£142,961,393	£165,872,382	£188,524,868
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£204,149,175)	(£168,316,572)	(£134,705,283)	(£102,807,760)	(£72,347,812)	(£43,001,614)	(£14,470,300)	£12,444,136	£38,292,285	£63,121,499	£87,633,122	£111,489,234	£134,848,201	£157,867,374	£180,575,392
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£217,057,701)	(£180,251,283)	(£146,000,366)	(£113,647,707)	(£82,817,836)	(£53,009,885)	(£24,285,246)	£3,218,376	£29,478,318	£54,444,006	£79,125,235	£103,208,156	£126,674,758	£149,813,212	£172,613,148
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£230,234,008)	(£192,565,085)	(£157,588,895)	(£124,689,270)	(£93,300,968)	(£63,164,254)	(£34,222,166)	(£6,096,402)	£20,440,286	£45,766,512	£70,553,174	£94,850,670	£118,476,523	£141,730,949	£164,645,721
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£243,638,816)	(£204,999,369)	(£169,303,284)	(£135,765,147)	(£103,910,517)	(£73,481,523)	(£44,171,448)	(£15,653,265)	£11,233,400	£37,069,021	£61,895,366	£86,406,828	£110,257,750	£133,616,677	£156,639,634
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£257,446,896)	(£217,807,913)	(£181,181,849)	(£147,024,622)	(£114,728,692)	(£83,945,788)	(£54,168,424)	(£25,457,992)	£2,007,639	£28,261,391	£53,217,872	£77,899,643	£101,977,779	£125,441,807	£148,582,768
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£271,358,243)	(£230,974,232)	(£193,447,436)	(£158,577,567)	(£125,758,222)	(£94,427,321)	(£64,311,211)	(£35,392,001)	(£7,294,418)	£19,229,049	£44,540,379	£69,327,650	£93,622,335	£117,243,572	£140,500,505
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option Appraisal v48 May 2019 Update

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5,258 Unit Residential Greenfield
35% Affordable Housing
Forward Funded (£30.858m)
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v48 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS

Fixed Price	112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)		112,700,000	
			112,700,000
Stamp Duty		5,626,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,690,500	
Legal Fee	0.75%	845,250	
			8,161,750

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
Funding Payback (Yr 15)			41,085,000	
				321,752,501
Forward Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			57,088,274	
Construction			16,472,483	
Total Finance Cost				73,560,757
TOTAL COSTS				**1,609,381,924**
PROFIT				
				497,979

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Appraisal v48 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£136,998,791)	(£104,723,538)	(£73,937,665)	(£44,144,033)	(£15,408,237)	£12,266,231	£38,640,267	£63,787,282	£88,562,089	£112,866,501	£136,466,318	£159,753,231	£182,667,038	£205,327,924	£227,767,597
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£148,523,569)	(£115,740,416)	(£84,419,198)	(£54,300,183)	(£25,346,229)	£2,881,476	£29,515,060	£55,098,342	£79,916,136	£104,410,894	£128,252,410	£151,618,545	£174,660,350	£197,372,661	£219,909,981
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£160,235,672)	(£126,810,181)	(£95,015,879)	(£64,610,188)	(£35,295,511)	(£6,750,798)	£20,289,299	£46,325,925	£71,238,642	£95,901,999	£119,987,655	£143,431,603	£166,611,842	£189,410,416	£212,023,246
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£172,054,637)	(£138,029,603)	(£105,806,816)	(£75,065,616)	(£45,302,572)	(£16,579,978)	£11,058,274	£37,425,241	£62,561,148	£87,336,672	£111,638,623	£135,233,368	£158,522,569	£181,440,378	£204,101,735
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£184,230,075)	(£149,518,905)	(£116,809,367)	(£85,547,150)	(£55,447,933)	(£26,516,064)	£1,689,881	£28,304,323	£53,874,739	£78,690,002	£103,184,600	£127,020,926	£150,386,820	£173,432,626	£196,146,311
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£196,644,333)	(£161,224,344)	(£127,879,133)	(£96,123,595)	(£65,744,522)	(£36,465,346)	(£7,929,214)	£19,078,563	£45,106,051	£70,012,509	£94,676,407	£118,757,054	£142,198,652	£165,382,031	£188,184,066
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£209,256,223)	(£173,006,135)	(£139,065,025)	(£106,894,306)	(£76,193,568)	(£46,461,111)	(£17,752,762)	£9,850,318	£36,210,127	£61,335,015	£86,111,256	£110,410,288	£134,000,417	£157,291,907	£180,213,718
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£222,339,441)	(£185,122,887)	(£150,519,828)	(£117,878,319)	(£86,675,101)	(£56,595,749)	(£27,685,898)	£497,979	£27,093,587	£52,650,104	£77,463,869	£101,958,307	£125,789,442	£149,154,652	£172,204,902
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£235,565,150)	(£197,526,684)	(£162,213,016)	(£128,948,085)	(£97,231,311)	(£66,879,182)	(£37,635,180)	(£9,110,495)	£17,867,826	£43,886,178	£68,786,375	£93,450,815	£117,526,453	£140,965,701	£164,151,587
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£249,129,470)	(£210,066,186)	(£173,965,857)	(£140,105,177)	(£107,982,390)	(£77,321,519)	(£47,621,342)	(£18,926,497)	£8,642,066	£34,995,014	£60,108,882	£84,885,839	£109,181,954	£132,767,466	£156,061,245
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£263,025,127)	(£223,084,033)	(£186,025,005)	(£151,524,046)	(£118,947,270)	(£87,803,052)	(£57,743,564)	(£28,855,733)	(£696,095)	£25,882,850	£51,425,470	£76,237,736	£100,732,013	£124,557,958	£147,922,483
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£276,936,474)	(£236,276,234)	(£198,409,036)	(£163,201,688)	(£130,017,036)	(£98,343,257)	(£68,016,814)	(£38,805,015)	(£10,292,208)	£16,657,090	£42,666,238	£67,560,242	£92,225,222	£116,295,852	£139,732,750
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£290,847,822)	(£249,748,913)	(£210,893,999)	(£174,933,825)	(£141,148,062)	(£109,072,747)	(£78,449,471)	(£48,783,562)	(£20,100,232)	£7,431,329	£33,779,900	£58,882,748	£83,660,422	£107,953,619	£131,534,515
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£304,759,170)	(£263,602,327)	(£223,828,625)	(£186,936,449)	(£152,532,788)	(£120,016,222)	(£88,931,004)	(£58,892,399)	(£30,025,567)	(£1,892,066)	£24,672,113	£50,200,835	£75,011,602	£99,505,719	£123,326,475
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£318,670,517)	(£277,513,674)	(£237,003,227)	(£199,291,387)	(£164,190,360)	(£131,085,988)	(£99,455,993)	(£69,154,445)	(£39,974,849)	(£11,473,922)	£15,446,353	£41,445,354	£66,334,109	£90,999,572	£115,065,251
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option Appraisal v49 May 2019 Update

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5,258 Unit Residential Greenfield
35% Affordable Housing
Forward Funded (£30.858m)
Nil CIL
17.5% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v49 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs			5.85%	1,006,059	
Effective Purchaser's Costs Rate			5.85%		1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS				
Fixed Price			80,500,000	
Fixed Price (322.00 Ha @ 250,000.00 /Hect)			80,500,000	
				80,500,000
Stamp Duty			4,016,000	
Effective Stamp Duty Rate			4.99%	
Agent Fee			1.50%	1,207,500
Legal Fee			0.75%	603,750
				5,827,250

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
Funding Payback (Yr 14)			41,085,000	
				289,403,991
Forward Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			33,571,995	
Construction			16,472,483	
Total Finance Cost				50,044,478
TOTAL COSTS				**1,518,982,634**
PROFIT				
				90,897,269

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Appraisal v49 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000% 1,117.87 /m²	(£34,858,809) (£80,500,000)	(£5,296,563) (£80,500,000)	£23,331,548 (£80,500,000)	£50,309,152 (£80,500,000)	£75,937,002 (£80,500,000)	£101,067,196 (£80,500,000)	£125,603,707 (£80,500,000)	£149,547,905 (£80,500,000)	£173,066,576 (£80,500,000)	£196,278,478 (£80,500,000)	£219,285,241 (£80,500,000)	£242,055,198 (£80,500,000)	£264,812,325 (£80,500,000)	£287,377,321 (£80,500,000)	£309,685,074 (£80,500,000)
-6.000% 1,129.89 /m²	(£45,276,455) (£80,500,000)	(£15,255,501) (£80,500,000)	£13,752,006 (£80,500,000)	£41,141,284 (£80,500,000)	£67,259,509 (£80,500,000)	£92,485,701 (£80,500,000)	£117,232,165 (£80,500,000)	£141,352,772 (£80,500,000)	£164,984,314 (£80,500,000)	£188,314,989 (£80,500,000)	£211,386,729 (£80,500,000)	£234,202,194 (£80,500,000)	£256,964,907 (£80,500,000)	£279,622,029 (£80,500,000)	£302,012,552 (£80,500,000)
-5.000% 1,141.91 /m²	(£55,757,988) (£80,500,000)	(£25,332,403) (£80,500,000)	£3,912,925 (£80,500,000)	£31,910,796 (£80,500,000)	£58,504,942 (£80,500,000)	£83,819,672 (£80,500,000)	£108,784,491 (£80,500,000)	£133,111,396 (£80,500,000)	£156,894,106 (£80,500,000)	£180,315,914 (£80,500,000)	£203,445,681 (£80,500,000)	£226,349,190 (£80,500,000)	£249,111,903 (£80,500,000)	£271,836,057 (£80,500,000)	£294,313,393 (£80,500,000)
-4.000% 1,153.93 /m²	(£66,311,386) (£80,500,000)	(£35,565,964) (£80,500,000)	(£6,035,089) (£80,500,000)	£22,565,654 (£80,500,000)	£49,528,244 (£80,500,000)	£75,142,178 (£80,500,000)	£100,272,913 (£80,500,000)	£124,804,718 (£80,500,000)	£148,747,046 (£80,500,000)	£172,267,441 (£80,500,000)	£195,483,437 (£80,500,000)	£218,489,523 (£80,500,000)	£241,258,899 (£80,500,000)	£264,017,279 (£80,500,000)	£286,586,568 (£80,500,000)
-3.000% 1,165.95 /m²	(£77,072,754) (£80,500,000)	(£45,973,097) (£80,500,000)	(£15,990,177) (£80,500,000)	£13,002,195 (£80,500,000)	£40,361,856 (£80,500,000)	£66,464,684 (£80,500,000)	£91,691,485 (£80,500,000)	£116,435,139 (£80,500,000)	£140,551,635 (£80,500,000)	£164,185,179 (£80,500,000)	£187,519,638 (£80,500,000)	£210,591,860 (£80,500,000)	£233,405,895 (£80,500,000)	£256,168,609 (£80,500,000)	£278,830,461 (£80,500,000)
-2.000% 1,177.97 /m²	(£88,060,927) (£80,500,000)	(£56,454,631) (£80,500,000)	(£26,052,968) (£80,500,000)	£3,172,493 (£80,500,000)	£31,134,148 (£80,500,000)	£57,716,624 (£80,500,000)	£83,024,847 (£80,500,000)	£107,989,506 (£80,500,000)	£132,311,732 (£80,500,000)	£156,094,753 (£80,500,000)	£179,519,499 (£80,500,000)	£202,650,640 (£80,500,000)	£225,552,891 (£80,500,000)	£248,315,605 (£80,500,000)	£271,043,062 (£80,500,000)
-1.000% 1,189.99 /m²	(£99,130,693) (£80,500,000)	(£66,991,498) (£80,500,000)	(£36,275,607) (£80,500,000)	(£6,773,614) (£80,500,000)	£21,799,199 (£80,500,000)	£48,747,336 (£80,500,000)	£74,347,354 (£80,500,000)	£99,478,629 (£80,500,000)	£124,005,729 (£80,500,000)	£147,946,186 (£80,500,000)	£171,468,306 (£80,500,000)	£194,688,395 (£80,500,000)	£217,693,806 (£80,500,000)	£240,462,601 (£80,500,000)	£263,222,232 (£80,500,000)
0.000% 1,202.01 /m²	(£110,337,164) (£80,500,000)	(£77,729,528) (£80,500,000)	(£46,669,740) (£80,500,000)	(£16,724,852) (£80,500,000)	£12,252,384 (£80,500,000)	£39,582,428 (£80,500,000)	£65,669,860 (£80,500,000)	£90,897,269 (£80,500,000)	£115,638,114 (£80,500,000)	£139,749,993 (£80,500,000)	£163,386,044 (£80,500,000)	£186,724,287 (£80,500,000)	£209,796,992 (£80,500,000)	£232,609,597 (£80,500,000)	£255,372,310 (£80,500,000)
+1.000% 1,214.03 /m²	(£121,839,002) (£80,500,000)	(£88,698,569) (£80,500,000)	(£57,151,273) (£80,500,000)	(£26,776,544) (£80,500,000)	£2,432,062 (£80,500,000)	£30,356,668 (£80,500,000)	£56,928,306 (£80,500,000)	£82,230,023 (£80,500,000)	£107,194,522 (£80,500,000)	£131,512,067 (£80,500,000)	£155,295,247 (£80,500,000)	£178,723,084 (£80,500,000)	£201,855,598 (£80,500,000)	£224,756,593 (£80,500,000)	£247,519,306 (£80,500,000)
+2.000% 1,226.05 /m²	(£133,549,372) (£80,500,000)	(£99,768,335) (£80,500,000)	(£67,672,925) (£80,500,000)	(£36,985,249) (£80,500,000)	(£7,512,140) (£80,500,000)	£21,032,744 (£80,500,000)	£47,966,428 (£80,500,000)	£73,552,529 (£80,500,000)	£98,684,346 (£80,500,000)	£123,206,740 (£80,500,000)	£147,145,327 (£80,500,000)	£170,669,171 (£80,500,000)	£193,893,353 (£80,500,000)	£216,898,088 (£80,500,000)	£239,666,302 (£80,500,000)
+3.000% 1,238.07 /m²	(£145,371,132) (£80,500,000)	(£110,941,277) (£80,500,000)	(£78,389,642) (£80,500,000)	(£47,366,383) (£80,500,000)	(£17,461,422) (£80,500,000)	£11,501,286 (£80,500,000)	£38,803,000 (£80,500,000)	£64,875,035 (£80,500,000)	£90,103,053 (£80,500,000)	£114,841,088 (£80,500,000)	£138,948,351 (£80,500,000)	£162,586,909 (£80,500,000)	£185,928,935 (£80,500,000)	£209,002,123 (£80,500,000)	£231,813,298 (£80,500,000)
+4.000% 1,250.09 /m²	(£157,579,543) (£80,500,000)	(£122,404,471) (£80,500,000)	(£89,336,212) (£80,500,000)	(£57,847,916) (£80,500,000)	(£27,500,119) (£80,500,000)	£1,691,630 (£80,500,000)	£29,577,240 (£80,500,000)	£56,139,988 (£80,500,000)	£81,435,198 (£80,500,000)	£106,399,537 (£80,500,000)	£130,712,403 (£80,500,000)	£154,495,535 (£80,500,000)	£177,926,669 (£80,500,000)	£201,060,557 (£80,500,000)	£223,960,294 (£80,500,000)
+5.000% 1,262.11 /m²	(£169,994,860) (£80,500,000)	(£134,106,735) (£80,500,000)	(£100,405,978) (£80,500,000)	(£68,357,169) (£80,500,000)	(£37,694,892) (£80,500,000)	(£8,250,665) (£80,500,000)	£20,266,290 (£80,500,000)	£47,185,521 (£80,500,000)	£72,757,705 (£80,500,000)	£97,890,063 (£80,500,000)	£122,407,751 (£80,500,000)	£146,344,468 (£80,500,000)	£169,870,036 (£80,500,000)	£193,098,312 (£80,500,000)	£216,102,370 (£80,500,000)
+6.000% 1,274.13 /m²	(£182,682,254) (£80,500,000)	(£145,889,262) (£80,500,000)	(£111,550,972) (£80,500,000)	(£79,051,277) (£80,500,000)	(£48,063,025) (£80,500,000)	(£18,199,947) (£80,500,000)	£10,749,723 (£80,500,000)	£38,023,573 (£80,500,000)	£64,080,211 (£80,500,000)	£89,308,837 (£80,500,000)	£114,044,062 (£80,500,000)	£138,146,709 (£80,500,000)	£161,787,774 (£80,500,000)	£185,133,584 (£80,500,000)	£208,207,254 (£80,500,000)
+7.000% 1,286.15 /m²	(£195,817,831) (£80,500,000)	(£158,033,815) (£80,500,000)	(£122,975,187) (£80,500,000)	(£89,973,855) (£80,500,000)	(£58,544,558) (£80,500,000)	(£28,223,695) (£80,500,000)	£951,198 (£80,500,000)	£28,797,812 (£80,500,000)	£55,351,670 (£80,500,000)	£80,640,374 (£80,500,000)	£105,604,552 (£80,500,000)	£129,912,738 (£80,500,000)	£153,695,822 (£80,500,000)	£177,130,254 (£80,500,000)	£200,265,515 (£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option Appraisal v50 May 2019 Update

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5,258 Unit Residential Greenfield
35% Affordable Housing
Forward Funded (£30.858m)
Nil CIL
17.5% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v50 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS

Fixed Price		96,600,000	
Fixed Price (322.00 Ha @ 300,000.00 /Hect)			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate		4.99%	
Agent Fee		1.50%	1,449,000
Legal Fee		0.75%	724,500
			6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Appraisal v50 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
Funding Payback (Yr 15)			41,085,000	
				289,403,991
Forward Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			44,158,624	
Construction			16,472,483	
Total Finance Cost				60,631,107
TOTAL COSTS				**1,546,836,513**
PROFIT				
				63,043,389

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Appraisal v50 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000% 1,117.87 /m²	(£70,182,195) (£96,600,000)	(£39,193,831) (£96,600,000)	(£9,301,737) (£96,600,000)	£19,692,859 (£96,600,000)	£47,130,930 (£96,600,000)	£73,445,212 (£96,600,000)	£98,717,101 (£96,600,000)	£123,660,514 (£96,600,000)	£147,963,230 (£96,600,000)	£171,753,760 (£96,600,000)	£195,192,983 (£96,600,000)	£218,328,190 (£96,600,000)	£241,265,629 (£96,600,000)	£264,028,342 (£96,600,000)	£286,778,643 (£96,600,000)
-6.000% 1,129.89 /m²	(£81,088,667) (£96,600,000)	(£49,673,324) (£96,600,000)	(£19,347,654) (£96,600,000)	£9,853,251 (£96,600,000)	£37,899,120 (£96,600,000)	£64,613,894 (£96,600,000)	£90,039,607 (£96,600,000)	£115,150,522 (£96,600,000)	£139,679,103 (£96,600,000)	£163,584,739 (£96,600,000)	£187,146,468 (£96,600,000)	£210,365,945 (£96,600,000)	£233,392,354 (£96,600,000)	£256,175,338 (£96,600,000)	£278,938,052 (£96,600,000)
-5.000% 1,141.91 /m²	(£92,153,067) (£96,600,000)	(£60,176,972) (£96,600,000)	(£29,539,251) (£96,600,000)	(£89,388) (£96,600,000)	£28,543,648 (£96,600,000)	£55,559,888 (£96,600,000)	£81,362,114 (£96,600,000)	£106,578,259 (£96,600,000)	£131,315,494 (£96,600,000)	£155,386,504 (£96,600,000)	£179,064,718 (£96,600,000)	£202,399,448 (£96,600,000)	£225,482,278 (£96,600,000)	£248,322,334 (£96,600,000)	£271,085,048 (£96,600,000)
-4.000% 1,153.93 /m²	(£103,270,153) (£96,600,000)	(£70,848,300) (£96,600,000)	(£39,893,630) (£96,600,000)	(£10,038,670) (£96,600,000)	£18,944,681 (£96,600,000)	£46,351,502 (£96,600,000)	£72,654,499 (£96,600,000)	£97,922,277 (£96,600,000)	£122,865,529 (£96,600,000)	£147,163,330 (£96,600,000)	£170,953,688 (£96,600,000)	£194,396,568 (£96,600,000)	£217,533,148 (£96,600,000)	£240,469,330 (£96,600,000)	£263,232,044 (£96,600,000)
-3.000% 1,165.95 /m²	(£114,634,782) (£96,600,000)	(£81,731,036) (£96,600,000)	(£50,369,967) (£96,600,000)	(£20,071,229) (£96,600,000)	£9,112,819 (£96,600,000)	£37,122,473 (£96,600,000)	£63,828,642 (£96,600,000)	£89,244,783 (£96,600,000)	£114,356,239 (£96,600,000)	£138,880,036 (£96,600,000)	£162,783,097 (£96,600,000)	£186,347,846 (£96,600,000)	£209,570,904 (£96,600,000)	£232,597,067 (£96,600,000)	£255,379,040 (£96,600,000)
-2.000% 1,177.97 /m²	(£126,282,202) (£96,600,000)	(£92,790,710) (£96,600,000)	(£60,863,405) (£96,600,000)	(£30,252,288) (£96,600,000)	(£827,913) (£96,600,000)	£27,780,733 (£96,600,000)	£54,779,961 (£96,600,000)	£80,567,289 (£96,600,000)	£105,784,043 (£96,600,000)	£130,518,468 (£96,600,000)	£154,584,862 (£96,600,000)	£178,265,583 (£96,600,000)	£201,604,097 (£96,600,000)	£224,687,410 (£96,600,000)	£247,526,036 (£96,600,000)
-1.000% 1,189.99 /m²	(£138,008,656) (£96,600,000)	(£103,889,133) (£96,600,000)	(£71,514,850) (£96,600,000)	(£40,593,429) (£96,600,000)	(£10,777,195) (£96,600,000)	£18,196,503 (£96,600,000)	£45,572,075 (£96,600,000)	£71,863,787 (£96,600,000)	£97,127,452 (£96,600,000)	£122,070,544 (£96,600,000)	£146,363,155 (£96,600,000)	£170,153,472 (£96,600,000)	£193,600,153 (£96,600,000)	£216,738,107 (£96,600,000)	£239,673,032 (£96,600,000)
0.000% 1,202.01 /m²	(£150,000,453) (£96,600,000)	(£115,218,861) (£96,600,000)	(£82,377,288) (£96,600,000)	(£51,066,609) (£96,600,000)	(£20,796,762) (£96,600,000)	£8,372,387 (£96,600,000)	£36,345,825 (£96,600,000)	£63,043,389 (£96,600,000)	£88,449,959 (£96,600,000)	£113,561,956 (£96,600,000)	£138,080,969 (£96,600,000)	£161,981,455 (£96,600,000)	£185,548,711 (£96,600,000)	£208,775,862 (£96,600,000)	£231,801,781 (£96,600,000)
+1.000% 1,214.03 /m²	(£162,353,385) (£96,600,000)	(£126,839,565) (£96,600,000)	(£93,428,352) (£96,600,000)	(£61,554,880) (£96,600,000)	(£30,965,324) (£96,600,000)	(£1,566,439) (£96,600,000)	£27,016,457 (£96,600,000)	£54,000,033 (£96,600,000)	£79,772,465 (£96,600,000)	£104,989,828 (£96,600,000)	£129,721,442 (£96,600,000)	£153,783,220 (£96,600,000)	£177,466,448 (£96,600,000)	£200,808,745 (£96,600,000)	£223,892,541 (£96,600,000)
+2.000% 1,226.05 /m²	(£174,819,827) (£96,600,000)	(£138,555,915) (£96,600,000)	(£104,513,317) (£96,600,000)	(£72,184,484) (£96,600,000)	(£41,293,228) (£96,600,000)	(£11,515,721) (£96,600,000)	£17,446,902 (£96,600,000)	£44,792,647 (£96,600,000)	£71,072,104 (£96,600,000)	£96,332,628 (£96,600,000)	£121,275,559 (£96,600,000)	£145,562,980 (£96,600,000)	£169,353,256 (£96,600,000)	£192,803,738 (£96,600,000)	£215,943,065 (£96,600,000)
+3.000% 1,238.07 /m²	(£187,728,353) (£96,600,000)	(£150,490,626) (£96,600,000)	(£115,808,399) (£96,600,000)	(£83,024,432) (£96,600,000)	(£51,763,252) (£96,600,000)	(£21,523,992) (£96,600,000)	£7,631,956 (£96,600,000)	£35,566,887 (£96,600,000)	£62,258,137 (£96,600,000)	£87,655,134 (£96,600,000)	£112,767,672 (£96,600,000)	£137,281,902 (£96,600,000)	£161,179,813 (£96,600,000)	£184,749,576 (£96,600,000)	£207,980,820 (£96,600,000)
+4.000% 1,250.09 /m²	(£200,904,659) (£96,600,000)	(£162,804,427) (£96,600,000)	(£127,396,928) (£96,600,000)	(£94,065,995) (£96,600,000)	(£62,246,384) (£96,600,000)	(£31,678,361) (£96,600,000)	(£2,304,964) (£96,600,000)	£26,252,109 (£96,600,000)	£53,220,105 (£96,600,000)	£78,977,640 (£96,600,000)	£104,195,612 (£96,600,000)	£128,924,416 (£96,600,000)	£152,981,578 (£96,600,000)	£176,667,313 (£96,600,000)	£200,013,394 (£96,600,000)
+5.000% 1,262.11 /m²	(£214,309,467) (£96,600,000)	(£175,238,712) (£96,600,000)	(£139,111,317) (£96,600,000)	(£105,141,871) (£96,600,000)	(£72,855,933) (£96,600,000)	(£41,995,630) (£96,600,000)	(£12,254,246) (£96,600,000)	£16,695,245 (£96,600,000)	£44,013,219 (£96,600,000)	£70,280,149 (£96,600,000)	£95,537,803 (£96,600,000)	£120,480,574 (£96,600,000)	£144,762,805 (£96,600,000)	£168,553,041 (£96,600,000)	£192,007,307 (£96,600,000)
+6.000% 1,274.13 /m²	(£228,117,547) (£96,600,000)	(£188,047,256) (£96,600,000)	(£150,989,883) (£96,600,000)	(£116,401,347) (£96,600,000)	(£83,674,108) (£96,600,000)	(£52,459,895) (£96,600,000)	(£22,251,223) (£96,600,000)	£6,890,519 (£96,600,000)	£34,787,459 (£96,600,000)	£61,472,519 (£96,600,000)	£86,860,310 (£96,600,000)	£111,973,389 (£96,600,000)	£136,482,835 (£96,600,000)	£160,378,171 (£96,600,000)	£183,950,441 (£96,600,000)
+7.000% 1,286.15 /m²	(£242,028,895) (£96,600,000)	(£201,213,575) (£96,600,000)	(£163,255,470) (£96,600,000)	(£127,954,292) (£96,600,000)	(£94,703,638) (£96,600,000)	(£62,941,428) (£96,600,000)	(£32,394,009) (£96,600,000)	(£3,043,490) (£96,600,000)	£25,485,401 (£96,600,000)	£52,440,178 (£96,600,000)	£78,182,816 (£96,600,000)	£103,401,396 (£96,600,000)	£128,127,390 (£96,600,000)	£152,179,936 (£96,600,000)	£175,868,178 (£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

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Eastleigh BC - Strategic Growth Option Appraisal v51 May 2019 Update

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5,258 Unit Residential Greenfield
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£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v51 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

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Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

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Investment Valuation

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Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
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Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Appraisal v51 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		17.50%	226,439,575	
Funding Payback (Yr 15)			41,085,000	
				289,403,991
Forward Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			57,088,274	
Construction			16,472,483	
Total Finance Cost				73,560,757
TOTAL COSTS				**1,577,033,413**
PROFIT				
				32,846,489

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Appraisal v51 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£107,669,443)	(£74,962,880)	(£43,745,698)	(£13,520,758)	£15,646,347	£43,752,124	£70,557,469	£96,135,792	£121,341,908	£146,077,629	£170,108,756	£193,826,977	£217,172,093	£240,264,288	£263,135,270
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£119,194,221)	(£85,979,758)	(£54,227,232)	(£23,676,908)	£5,708,355	£34,367,369	£61,432,262	£87,446,853	£112,695,955	£137,622,023	£161,894,847	£185,692,292	£209,165,405	£232,309,025	£255,277,654
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£130,906,323)	(£97,049,524)	(£64,823,913)	(£33,986,913)	(£4,240,927)	£24,735,095	£52,206,501	£78,674,436	£104,018,462	£129,113,128	£153,630,092	£177,505,349	£201,116,897	£224,346,780	£247,390,918
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£142,725,289)	(£108,268,946)	(£75,614,850)	(£44,442,341)	(£14,247,988)	£14,905,915	£42,975,476	£69,773,752	£95,340,968	£120,547,801	£145,281,060	£169,307,114	£193,027,624	£216,376,742	£239,469,408
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£154,900,726)	(£119,758,247)	(£86,617,401)	(£54,923,874)	(£24,393,349)	£4,969,829	£33,607,083	£60,652,834	£86,654,559	£111,901,131	£136,827,038	£161,094,672	£184,891,875	£208,368,990	£231,513,983
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£167,314,984)	(£131,463,686)	(£97,687,167)	(£65,500,320)	(£34,689,938)	(£4,979,453)	£23,987,988	£51,427,073	£77,885,871	£103,223,637	£128,318,844	£152,830,800	£176,703,707	£200,318,395	£223,551,739
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£179,926,874)	(£143,245,478)	(£108,873,059)	(£76,271,031)	(£45,138,984)	(£14,975,218)	£14,164,440	£42,198,828	£68,989,947	£94,546,144	£119,753,693	£144,484,034	£168,505,472	£192,228,271	£215,581,391
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£193,010,092)	(£155,362,229)	(£120,327,862)	(£87,255,043)	(£55,620,517)	(£25,109,856)	£4,231,304	£32,846,489	£59,873,406	£85,861,233	£111,106,306	£136,032,053	£160,294,497	£184,091,015	£207,572,575
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£206,235,802)	(£167,766,027)	(£132,021,050)	(£98,324,809)	(£66,176,727)	(£35,393,289)	(£5,717,978)	£23,238,016	£50,647,646	£77,097,306	£102,428,813	£127,524,561	£152,031,508	£175,902,065	£199,519,260
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£219,800,121)	(£180,305,529)	(£143,773,891)	(£109,481,902)	(£76,927,806)	(£45,835,626)	(£15,704,140)	£13,422,014	£41,421,885	£68,206,142	£93,751,319	£118,959,585	£143,687,009	£167,703,830	£191,428,918
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£233,695,778)	(£193,323,376)	(£155,833,039)	(£120,900,771)	(£87,892,686)	(£56,317,160)	(£25,826,363)	£3,492,778	£32,083,724	£59,093,978	£85,067,907	£110,311,482	£135,237,068	£159,494,322	£183,290,156
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£247,607,126)	(£206,515,577)	(£168,217,070)	(£132,578,413)	(£98,962,452)	(£66,857,364)	(£36,099,612)	(£6,456,504)	£22,487,611	£49,868,218	£76,308,676	£101,633,988	£126,730,278	£151,232,216	£175,100,423
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£261,518,473)	(£219,988,256)	(£180,702,033)	(£144,310,550)	(£110,093,478)	(£77,586,854)	(£46,532,269)	(£16,435,051)	£12,679,588	£40,642,458	£67,422,338	£92,956,495	£118,165,477	£142,889,983	£166,902,188
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£275,429,821)	(£233,841,669)	(£193,636,659)	(£156,313,173)	(£121,478,204)	(£88,530,329)	(£57,013,802)	(£26,543,889)	£2,754,253	£31,319,063	£58,314,551	£84,274,581	£109,516,657	£134,442,083	£158,694,147
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£289,341,169)	(£247,753,017)	(£206,811,261)	(£168,668,112)	(£133,135,776)	(£99,600,095)	(£67,538,791)	(£36,805,935)	(£7,195,030)	£21,737,206	£49,088,790	£75,519,100	£100,839,164	£125,935,936	£150,432,924
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option Appraisal v52 May 2019 Update

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5,258 Unit Residential Greenfield
35% Affordable Housing
Forward Funded (£30.858m)
Nil CIL
15% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v52 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS

Fixed Price	80,500,000		
Fixed Price (322.00 Ha @ 250,000.00 /Hect)		80,500,000	
			80,500,000
Stamp Duty		4,016,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,207,500	
Legal Fee	0.75%	603,750	
			5,827,250

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Appraisal v52 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		15.00%	194,091,064	
Funding Payback (Yr 15)			41,085,000	
				257,055,480
Forward Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			33,571,995	
Construction			16,472,483	
Total Finance Cost				50,044,478
TOTAL COSTS				**1,486,634,123**
PROFIT				
				123,245,779

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Appraisal v52 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²													
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£5,529,460)	£24,464,094	£53,523,514	£80,932,428	£106,991,586	£132,553,089	£157,520,909	£181,896,416	£205,846,396	£229,489,607	£252,927,678	£276,128,945	£299,317,380	£322,313,685	£345,052,747
1,117.87 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-6.000%	(£15,947,106)	£14,505,156	£43,943,972	£71,764,559	£98,314,093	£123,971,594	£149,149,367	£173,701,283	£197,764,133	£221,526,118	£245,029,166	£268,275,941	£291,469,962	£314,558,393	£337,380,225
1,129.89 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-5.000%	(£26,428,639)	£4,428,254	£34,104,891	£62,534,071	£89,559,526	£115,305,565	£140,701,693	£165,459,907	£189,673,925	£213,527,043	£237,088,119	£260,422,937	£283,616,958	£306,772,421	£329,681,066
1,141.91 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-4.000%	(£36,982,038)	(£5,805,307)	£24,156,878	£53,188,929	£80,582,829	£106,628,071	£132,190,115	£157,153,229	£181,526,865	£205,478,570	£229,125,874	£252,563,270	£275,763,955	£298,953,643	£321,954,241
1,153.93 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-3.000%	(£47,743,405)	(£16,212,440)	£14,201,790	£43,625,470	£71,416,440	£97,950,577	£123,608,686	£148,783,650	£173,331,455	£197,396,307	£221,162,075	£244,665,606	£267,910,951	£291,104,972	£314,198,133
1,165.95 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-2.000%	(£58,731,578)	(£26,693,973)	£4,138,998	£33,795,768	£62,188,732	£89,202,517	£114,942,049	£140,338,017	£165,091,551	£189,305,881	£213,161,937	£236,724,386	£260,057,947	£283,251,968	£306,410,735
1,177.97 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
-1.000%	(£69,801,344)	(£37,230,841)	(£6,083,640)	£23,849,661	£52,853,783	£80,233,229	£106,264,555	£131,827,140	£156,785,549	£181,157,315	£205,110,743	£228,762,141	£252,198,861	£275,398,965	£298,589,905
1,189.99 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
0.000%	(£81,007,815)	(£47,968,871)	(£16,477,774)	£13,898,423	£43,306,968	£71,068,321	£97,587,062	£123,245,779	£148,417,933	£172,961,121	£197,028,481	£220,798,033	£244,302,047	£267,545,961	£290,739,982
1,202.01 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+1.000%	(£92,509,653)	(£58,937,912)	(£26,959,307)	£3,846,731	£33,486,646	£61,842,561	£88,845,508	£114,578,533	£139,974,341	£164,723,196	£188,937,685	£212,796,830	£236,360,653	£259,692,957	£282,886,978
1,214.03 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+2.000%	(£104,220,023)	(£70,007,678)	(£37,480,959)	(£6,361,974)	£23,542,444	£52,518,637	£79,883,630	£105,901,040	£131,464,166	£156,417,869	£180,787,765	£204,742,917	£228,398,408	£251,834,452	£275,033,975
1,226.05 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+3.000%	(£116,041,784)	(£81,180,620)	(£48,197,676)	(£16,743,107)	£13,593,162	£42,987,179	£70,720,202	£97,223,546	£122,882,872	£148,052,216	£172,590,788	£196,660,655	£220,433,990	£243,938,487	£267,180,971
1,238.07 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+4.000%	(£128,250,194)	(£92,643,814)	(£59,144,246)	(£27,224,641)	£3,554,465	£33,177,523	£61,494,442	£88,488,499	£114,215,018	£139,610,665	£164,354,840	£188,569,281	£212,431,724	£235,996,921	£259,327,967
1,250.09 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+5.000%	(£140,665,511)	(£104,346,078)	(£70,214,012)	(£37,733,894)	(£6,640,307)	£23,235,228	£52,183,491	£79,534,031	£105,537,524	£131,101,191	£156,050,189	£180,418,214	£204,375,091	£228,034,676	£251,470,043
1,262.11 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+6.000%	(£153,352,906)	(£116,128,604)	(£81,359,006)	(£48,428,001)	(£17,008,441)	£13,285,946	£42,666,925	£70,372,083	£96,860,030	£122,519,965	£147,686,499	£172,220,455	£196,292,829	£220,069,948	£243,574,927
1,274.13 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)
+7.000%	(£166,488,482)	(£128,273,158)	(£92,783,221)	(£59,350,579)	(£27,489,974)	£3,262,198	£32,868,400	£61,146,323	£88,131,489	£113,851,502	£139,246,989	£163,986,484	£188,200,877	£212,066,618	£235,633,188
1,286.15 /m²	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)	(£80,500,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option Appraisal v53 May 2019 Update

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5,258 Unit Residential Greenfield
35% Affordable Housing
Forward Funded (£30.858m)
Nil CIL
15% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v53 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS

Fixed Price	96,600,000		
Fixed Price (322.00 Ha @ 300,000.00 /Hect)		96,600,000	
			96,600,000
Stamp Duty		4,821,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	1.50%	1,449,000	
Legal Fee	0.75%	724,500	
			6,994,500

CONSTRUCTION COSTS

Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**

	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Appraisal v53 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		15.00%	194,091,064	
Funding Payback (Yr 15)			41,085,000	
				257,055,480
Forward Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			44,158,624	
Construction			16,472,483	
Total Finance Cost				60,631,107
TOTAL COSTS				**1,514,488,003**
PROFIT				
				95,391,900

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Appraisal v53 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²													
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£40,852,846)	(£9,433,173)	£20,890,229	£50,316,134	£78,185,514	£104,931,105	£130,634,303	£156,009,024	£180,743,049	£204,964,888	£228,835,420	£252,401,936	£275,770,684	£298,964,706	£322,146,316
1,117.87 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-6.000%	(£51,759,318)	(£19,912,667)	£10,844,312	£40,476,526	£68,953,704	£96,099,787	£121,956,809	£147,499,033	£172,458,923	£196,795,868	£220,788,905	£244,439,691	£267,897,409	£291,111,702	£314,305,724
1,129.89 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-5.000%	(£62,823,718)	(£30,416,315)	£652,715	£30,533,888	£59,598,232	£87,045,781	£113,279,316	£138,926,770	£164,095,313	£188,597,633	£212,707,155	£236,473,194	£259,987,333	£283,258,698	£306,452,720
1,141.91 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-4.000%	(£73,940,804)	(£41,087,643)	(£9,701,663)	£20,584,606	£49,999,265	£77,837,395	£104,571,701	£130,270,787	£155,645,348	£180,374,459	£204,596,125	£228,470,314	£252,038,203	£275,405,694	£298,599,716
1,153.93 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-3.000%	(£85,305,434)	(£51,970,378)	(£20,178,001)	£10,552,046	£40,167,403	£68,608,366	£95,745,843	£121,593,294	£147,136,058	£172,091,164	£196,425,535	£220,421,592	£244,075,959	£267,533,431	£290,746,712
1,165.95 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-2.000%	(£96,952,853)	(£63,030,052)	(£30,671,439)	£370,988	£30,226,671	£59,266,626	£86,697,163	£112,915,800	£138,563,863	£163,729,596	£188,227,300	£212,339,329	£236,109,152	£259,623,773	£282,893,708
1,177.97 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
-1.000%	(£108,679,308)	(£74,128,476)	(£41,322,884)	(£9,970,154)	£20,277,389	£49,682,396	£77,489,277	£104,212,297	£129,907,272	£155,281,672	£180,005,593	£204,227,219	£228,105,208	£251,674,471	£275,040,704
1,189.99 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
0.000%	(£120,671,104)	(£85,458,203)	(£52,185,321)	(£20,443,334)	£10,257,822	£39,858,280	£68,263,027	£95,391,900	£121,229,778	£146,773,084	£171,723,406	£196,055,202	£220,053,766	£243,712,226	£267,169,453
1,202.01 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+1.000%	(£133,024,036)	(£97,078,908)	(£63,236,386)	(£30,931,604)	£89,260	£29,919,454	£58,933,658	£86,348,544	£112,552,284	£138,200,956	£163,363,879	£187,856,966	£211,971,503	£235,745,109	£259,260,214
1,214.03 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+2.000%	(£145,490,478)	(£108,795,257)	(£74,321,350)	(£41,561,209)	(£10,238,644)	£19,970,172	£49,364,104	£77,141,158	£103,851,924	£129,543,756	£154,917,996	£179,636,727	£203,858,312	£227,740,102	£251,310,738
1,226.05 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+3.000%	(£158,399,004)	(£120,729,968)	(£85,616,433)	(£52,401,157)	(£20,708,668)	£9,961,901	£39,549,158	£67,915,397	£95,037,957	£120,866,262	£146,410,109	£171,355,648	£195,684,868	£219,685,940	£243,348,493
1,238.07 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+4.000%	(£171,575,311)	(£133,043,770)	(£97,204,962)	(£63,442,720)	(£31,191,800)	(£192,468)	£29,612,238	£58,600,619	£85,999,925	£112,188,769	£137,838,049	£162,998,162	£187,486,633	£211,603,677	£235,381,067
1,250.09 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+5.000%	(£184,980,118)	(£145,478,054)	(£108,919,351)	(£74,518,596)	(£41,801,349)	(£10,509,737)	£19,662,955	£49,043,756	£76,793,039	£103,491,278	£129,180,241	£154,554,320	£179,267,860	£203,489,405	£227,374,980
1,262.11 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+6.000%	(£198,788,199)	(£158,286,599)	(£120,797,917)	(£85,778,071)	(£52,619,524)	(£20,974,002)	£9,665,979	£39,239,030	£67,567,278	£94,683,647	£120,502,747	£146,047,135	£170,987,890	£195,314,535	£219,318,113
1,274.13 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)
+7.000%	(£212,699,546)	(£171,452,918)	(£133,063,504)	(£97,331,016)	(£63,649,054)	(£31,455,535)	(£476,807)	£29,305,021	£58,265,221	£85,651,306	£111,825,253	£137,475,142	£162,632,446	£187,116,300	£211,235,851
1,286.15 /m²	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)	(£96,600,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option Appraisal v54 May 2019 Update

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5,258 Unit Residential Greenfield
35% Affordable Housing
Forward Funded (£30.858m)
Nil CIL
15% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v54 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		15.00%	194,091,064	
Funding Payback (Yr 15)			41,085,000	
				257,055,480
Forward Funding			30,858,000	
				30,858,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			57,088,274	
Construction			16,472,483	
Total Finance Cost				73,560,757
TOTAL COSTS				**1,544,684,903**
PROFIT				
				65,195,000

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Appraisal v54 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£78,340,094)	(£45,202,223)	(£13,553,732)	£17,102,517	£46,700,931	£75,238,017	£102,474,670	£128,484,303	£154,121,728	£179,288,758	£203,751,193	£227,900,723	£251,677,148	£275,200,652	£298,502,943
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£89,864,872)	(£56,219,101)	(£24,035,265)	£6,946,367	£36,762,939	£65,853,262	£93,349,463	£119,795,363	£145,475,775	£170,833,151	£195,537,285	£219,766,038	£243,670,460	£267,245,389	£290,645,327
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£101,576,974)	(£67,288,867)	(£34,631,946)	(£3,363,638)	£26,813,657	£56,220,988	£84,123,703	£111,022,946	£136,798,281	£162,324,256	£187,272,530	£211,579,095	£235,621,952	£259,283,144	£282,758,591
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£113,395,940)	(£78,508,288)	(£45,422,884)	(£13,819,066)	£16,806,596	£46,391,808	£74,892,678	£102,122,262	£128,120,788	£153,758,929	£178,923,498	£203,380,860	£227,532,679	£251,313,106	£274,837,080
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£125,571,378)	(£89,997,590)	(£56,425,434)	(£24,300,599)	£6,661,235	£36,455,722	£65,524,284	£93,001,345	£119,434,378	£145,112,259	£170,469,475	£195,168,418	£219,396,930	£243,305,354	£266,881,656
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£137,985,636)	(£101,703,029)	(£67,495,200)	(£34,877,045)	(£3,635,354)	£26,506,440	£55,905,190	£83,775,584	£110,665,691	£136,434,766	£161,961,282	£186,904,547	£211,208,762	£235,254,759	£258,919,411
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£150,597,525)	(£113,484,821)	(£78,681,093)	(£45,647,756)	(£14,084,400)	£16,510,674	£46,081,642	£74,547,339	£101,769,767	£127,757,272	£153,396,130	£178,557,781	£203,010,527	£227,164,635	£250,949,063
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£163,680,744)	(£125,601,572)	(£90,135,895)	(£56,631,768)	(£24,565,933)	£6,376,037	£36,148,506	£65,195,000	£92,653,226	£119,072,361	£144,748,744	£170,105,799	£194,799,552	£219,027,379	£242,940,247
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£176,906,453)	(£138,005,369)	(£101,829,083)	(£67,701,534)	(£35,122,143)	(£3,907,396)	£26,199,223	£55,586,527	£83,427,465	£110,308,435	£136,071,250	£161,598,307	£186,536,563	£210,838,429	£234,886,933
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£190,470,773)	(£150,544,871)	(£113,581,925)	(£78,858,627)	(£45,873,222)	(£14,349,733)	£16,213,062	£45,770,524	£74,201,705	£101,417,271	£127,393,756	£153,033,331	£178,192,064	£202,640,194	£226,796,590
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£204,366,429)	(£163,562,718)	(£125,641,073)	(£90,277,496)	(£56,838,102)	(£24,831,267)	£6,090,839	£35,841,289	£64,863,544	£92,305,107	£118,710,344	£144,385,228	£169,742,123	£194,430,686	£218,657,829
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£218,277,777)	(£176,754,920)	(£138,025,103)	(£101,955,138)	(£67,907,868)	(£35,371,472)	(£4,182,410)	£25,892,007	£55,267,431	£83,079,346	£109,951,113	£135,707,734	£161,235,333	£186,168,580	£210,468,096
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£232,189,125)	(£190,227,598)	(£150,510,067)	(£113,687,275)	(£79,038,894)	(£46,100,962)	(£14,615,067)	£15,913,460	£45,459,407	£73,853,586	£101,064,775	£127,030,241	£152,670,532	£177,826,347	£202,269,861
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£246,100,473)	(£204,081,012)	(£163,444,693)	(£125,689,898)	(£90,423,620)	(£57,044,436)	(£25,096,600)	£5,804,622	£35,534,072	£64,530,191	£91,956,988	£118,348,328	£144,021,713	£169,378,447	£194,061,820
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£260,011,820)	(£217,992,359)	(£176,619,294)	(£138,044,837)	(£102,081,192)	(£68,114,202)	(£35,621,590)	(£4,457,424)	£25,584,790	£54,948,335	£82,731,228	£109,592,846	£135,344,219	£160,872,300	£185,800,597
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

Appendix II: SGO Sensitivity Testing – Appraisal Summary: Increased Grant Funding Test

DixonSearle Partnership

Eastleigh BC - Strategic Growth Option
Base Appraisal v55 May 2019 Update

5,258 Unit Residential Greenfield
35% Affordable Housing
£53.682m Grant Funded
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Base Appraisal v55 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
Base Appraisal v55 May 2019 Update

Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			6,300,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,003,846,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
				280,667,501
Grant Funding			53,682,000	
				53,682,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			50,531,771	
Construction			13,681,428	
Total Finance Cost				64,213,199
TOTAL COSTS				**1,537,925,366**
PROFIT				
				71,954,536

Performance Measures

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v55 May 2019 Update

Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£52,042,538)	(£23,298,828)	£4,541,149	£31,583,733	£57,655,943	£83,203,096	£108,041,330	£132,548,096	£156,286,456	£179,619,123	£202,541,863	£225,187,630	£247,588,057	£269,919,462	£292,183,403
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£62,230,751)	(£33,229,558)	(£4,984,295)	£22,266,357	£48,607,159	£74,392,510	£99,363,836	£124,039,612	£148,062,005	£171,449,975	£194,542,568	£217,242,374	£239,735,053	£262,066,458	£284,379,463
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£72,590,024)	(£43,178,840)	(£14,666,706)	£12,815,087	£39,549,096	£65,470,033	£90,686,342	£115,469,638	£139,756,547	£163,251,740	£186,497,788	£209,280,129	£231,867,044	£254,213,454	£276,544,858
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£83,069,250)	(£53,198,219)	(£24,472,563)	£3,342,950	£30,378,423	£56,439,833	£81,981,074	£106,815,196	£131,321,802	£155,053,505	£178,387,700	£201,315,203	£223,961,453	£246,360,450	£268,691,854
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£93,578,502)	(£63,375,097)	(£34,399,392)	(£6,173,166)	£21,066,195	£47,391,050	£73,173,523	£98,137,703	£122,814,019	£146,830,855	£170,217,024	£193,314,845	£216,016,024	£238,507,446	£260,838,850
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£104,271,988)	(£73,721,132)	(£44,348,674)	(£15,846,901)	£11,616,889	£38,335,525	£64,253,436	£89,460,209	£114,244,113	£138,528,198	£162,018,789	£185,268,397	£208,053,779	£230,640,448	£252,985,846
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£115,193,400)	(£84,197,201)	(£54,356,758)	(£25,646,298)	£2,144,752	£29,172,467	£55,223,724	£80,758,544	£105,589,063	£130,095,508	£153,820,554	£177,156,175	£200,088,543	£222,735,275	£245,132,842
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£126,263,166)	(£94,696,244)	(£64,519,442)	(£35,569,227)	(£7,363,141)	£19,866,033	£46,174,940	£71,954,536	£96,911,569	£121,588,427	£145,599,371	£168,984,073	£192,087,121	£214,789,673	£237,279,838
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£137,404,389)	(£105,367,533)	(£74,852,240)	(£45,518,509)	(£17,027,097)	£10,418,690	£37,121,488	£63,036,838	£88,234,076	£113,018,588	£137,299,849	£160,785,838	£184,037,969	£206,827,429	£229,413,852
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£148,824,408)	(£116,266,951)	(£85,325,153)	(£55,515,297)	(£26,820,033)	£946,553	£27,965,626	£54,007,614	£79,535,279	£104,362,930	£128,869,215	£152,587,603	£175,924,651	£198,861,883	£221,509,097
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£160,512,380)	(£127,332,118)	(£95,815,866)	(£65,663,788)	(£36,739,061)	(£8,553,116)	£18,665,263	£44,958,830	£70,735,549	£95,685,436	£120,362,835	£144,367,887	£167,751,122	£190,859,397	£213,563,323
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£172,275,715)	(£138,449,879)	(£106,465,392)	(£75,983,724)	(£46,688,343)	(£18,208,120)	£9,220,492	£35,907,450	£61,820,241	£87,007,942	£111,793,063	£136,071,500	£159,552,887	£182,807,525	£205,601,078
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£184,387,014)	(£149,832,564)	(£117,340,628)	(£86,453,104)	(£56,673,836)	(£27,993,767)	(£251,645)	£26,758,785	£52,791,504	£78,312,015	£103,136,796	£127,642,921	£151,354,652	£174,693,126	£197,635,223
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£196,794,753)	(£161,501,052)	(£128,401,069)	(£96,938,680)	(£66,811,208)	(£37,908,896)	(£9,744,545)	£17,463,961	£43,742,720	£69,516,562	£94,459,303	£119,137,243	£143,136,403	£166,518,172	£189,631,673
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£209,378,087)	(£173,239,343)	(£139,499,225)	(£107,565,216)	(£77,118,058)	(£47,858,178)	(£19,390,644)	£8,022,293	£34,693,413	£60,603,643	£85,781,809	£110,567,539	£134,843,151	£158,319,936	£181,577,081
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Appendix II: SGO Sensitivity Testing – Appraisal Summary: Increased Forward Funding Test

DixonSearle Partnership

Eastleigh BC - Strategic Growth Option Appraisal v56 May 2019 Update

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5,258 Unit Residential Greenfield
35% Affordable Housing
Forward Funded (£53.682m)
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
20 June 2019

APPRAISAL SUMMARY

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option
Appraisal v56 May 2019 Update

Appraisal Summary for Phase 1 All Phases

Currency in £

REVENUE

Sales Valuation	**Units**	**m²**	**Sales Rate m²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Market Housing	3,418	345,047.10	3,750.04	378,567	1,293,940,427	0	1,293,940,427
Affordable Housing	1,840	152,076.00	1,874.97	154,966	285,137,938	0	285,137,938
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	3	0.00	0.00	2,646,667	7,940,000	0	7,940,000
Totals	**5,262**	**497,123.10**			**1,593,688,365**	**0**	**1,593,688,365**

Rental Area Summary	**Units**	**m²**	**Rent Rate m²**	**Initial MRV/Unit**	**Net Rent at Sale**	**Initial MRV**
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	1	2,229.67	161.46	360,003	360,003	360,003
Totals	**782**	**3,901.92**			**954,004**	**954,004**

Investment Valuation

Residential Ground Rents					
Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
Retail - Foodstore					
Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181
Retail - Comparison / Convenience					
Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417
Total Investment Valuation					**17,197,598**
GROSS DEVELOPMENT VALUE					**1,610,885,962**
Purchaser's Costs		5.85%	1,006,059		
Effective Purchaser's Costs Rate		5.85%			1,006,059
NET DEVELOPMENT VALUE					**1,609,879,903**
NET REALISATION					**1,609,879,903**

OUTLAY

ACQUISITION COSTS				
Fixed Price		112,700,000		
Fixed Price (322.00 Ha @ 350,000.00 /Hect)			112,700,000	
				112,700,000
Stamp Duty			5,626,000	
Effective Stamp Duty Rate		4.99%		
Agent Fee		1.50%	1,690,500	
Legal Fee		0.75%	845,250	
				8,161,750

CONSTRUCTION COSTS			
Construction	**Units**	**Unit Amount**	**Cost**
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			**19,585,500**
	m²	**Build Rate m²**	**Cost**
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	348,670.18	1,202.01	419,105,043
Affordable Housing	157,596.00	1,202.01	189,431,968
Totals	**511,685.50 m²**		**615,328,658**
Contingency		5.00%	31,745,708
Site Works & Infrastructure	5,258.00 un	35,000.00 /un	184,030,000

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Eastleigh BC - Strategic Growth Option
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Sustainable Design & Construction		2.00%	12,170,740	
Part M4(2) - 80%	3,418.00 un	1,511.00 /un	5,164,598	
Part M4(3) - 7% Market Housing	3,418.00 un	1,401.00 /un	4,788,618	
Part M4(3) - 8% AH	1,840.00 un	1,602.00 /un	2,947,680	
Link Road Outside SGO			21,682,000	
Education Provision			49,857,000	
M3 J 12 Improvements			10,700,000	
Public Art			2,070,000	
Southern Damsel Fly			4,500,000	
Link Road Acquisition Cost			4,400,000	
Allbrook Way Widening			4,534,000	
Bus / Cycle Strategy			3,000,000	
Local Highways Improvements			1,000,000	
Env mitigation - woodland			5,900,000	
New Forest Warden			3,900,000	
POS Maintenance			9,642,000	
Health Centre			2,100,000	
Community Facilities			3,000,000	
				1,002,046,502
PROFESSIONAL FEES				
Professional Fees		10.00%	79,256,701	
				79,256,701
DISPOSAL FEES				
Marketing & Sales Agent Fees		3.00%	38,818,213	
Sales Legal Fee	5,258.00 un	750.00 /un	3,943,500	
				42,761,713
MISCELLANEOUS FEES				
Employment Land Profit		15.00%	4,771,140	
AH Profit		6.00%	17,108,276	
Market Profit		20.00%	258,788,085	
Funding Payback (Yr 15)			71,474,269	
				352,141,770
Forward Funding			53,682,000	
				53,682,000
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			40,491,345	
Construction			5,557,223	
Total Finance Cost				46,048,569
TOTAL COSTS				**1,589,435,005**
PROFIT				
				20,444,898

Performance Measures

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Eastleigh BC - Strategic Growth Option
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Table of Profit Amount and Land Cost

	Sales: Rate /m²														
Construction: Rate /m²	-350.00 /m²	-300.00 /m²	-250.00 /m²	-200.00 /m²	-150.00 /m²	-100.00 /m²	-50.00 /m²	0.00 /m²	+50.00 /m²	+100.00 /m²	+150.00 /m²	+200.00 /m²	+250.00 /m²	+300.00 /m²	+350.00 /m²
-7.000%	(£109,410,751)	(£78,431,900)	(£48,537,991)	(£20,416,087)	£6,383,353	£31,722,307	£56,167,388	£79,677,408	£102,928,149	£125,667,767	£148,202,840	£170,534,244	£192,847,528	£214,937,485	£236,779,094
1,117.87 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-6.000%	(£120,473,794)	(£88,935,975)	(£58,725,345)	(£30,102,879)	(£2,713,999)	£22,886,922	£47,701,526	£71,479,173	£94,819,727	£117,705,522	£140,322,294	£162,681,240	£185,012,645	£207,196,587	£229,113,879
1,129.89 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-5.000%	(£131,585,933)	(£99,606,311)	(£69,083,073)	(£39,796,697)	(£12,037,493)	£14,041,790	£39,173,853	£63,261,284	£86,642,692	£109,726,204	£132,399,821	£154,828,236	£177,159,641	£199,425,426	£221,428,188
1,141.91 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-4.000%	(£142,939,513)	(£110,484,754)	(£79,559,852)	(£49,695,254)	(£21,601,070)	£5,169,248	£30,500,855	£54,939,847	£78,444,457	£101,698,758	£124,441,417	£146,975,232	£169,306,637	£191,622,275	£213,715,602
1,153.93 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-3.000%	(£154,575,693)	(£121,542,746)	(£90,053,717)	(£59,869,691)	(£31,286,021)	(£3,913,415)	£21,665,910	£46,475,646	£70,246,222	£93,588,202	£116,479,172	£139,095,979	£161,453,633	£183,785,037	£205,974,195
1,165.95 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-2.000%	(£166,297,632)	(£132,638,006)	(£100,704,169)	(£70,214,181)	(£40,976,869)	(£13,229,471)	£12,820,778	£37,948,414	£62,029,801	£85,409,741	£108,499,086	£131,173,631	£153,600,629	£175,932,033	£198,201,912
1,177.97 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
-1.000%	(£178,265,368)	(£143,956,164)	(£111,563,207)	(£80,687,803)	(£50,853,588)	(£22,786,052)	£3,955,143	£29,279,179	£53,712,305	£77,211,506	£100,469,368	£123,215,066	£145,747,625	£168,079,029	£190,397,021
1,189.99 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
0.000%	(£190,601,221)	(£155,564,365)	(£122,611,697)	(£91,176,365)	(£61,014,036)	(£32,469,163)	(£5,114,851)	£20,444,898	£45,249,766	£69,013,271	£92,356,677	£115,252,821	£137,869,664	£160,226,025	£182,557,429
1,202.01 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+1.000%	(£203,052,573)	(£167,278,755)	(£133,693,499)	(£101,805,588)	(£71,345,289)	(£42,157,756)	(£14,421,449)	£11,599,766	£36,722,976	£60,798,317	£84,176,791	£107,271,968	£129,947,442	£152,373,021	£174,704,425
1,214.03 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+2.000%	(£215,915,050)	(£179,190,840)	(£144,978,229)	(£112,641,660)	(£81,815,755)	(£52,015,399)	(£23,971,034)	£2,741,038	£28,056,803	£52,484,763	£75,978,555	£99,239,977	£121,988,716	£144,520,017	£166,851,421
1,226.05 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+3.000%	(£229,086,989)	(£191,483,573)	(£156,553,038)	(£123,680,649)	(£92,299,179)	(£62,158,382)	(£33,652,305)	(£6,316,570)	£19,223,886	£44,023,886	£67,780,320	£91,125,152	£114,026,471	£136,643,349	£158,998,417
1,238.07 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+4.000%	(£242,461,627)	(£203,908,631)	(£168,267,427)	(£134,755,012)	(£102,908,345)	(£72,478,399)	(£43,340,092)	(£15,613,427)	£10,378,753	£35,497,538	£59,566,833	£82,943,840	£106,044,850	£128,721,253	£151,145,413
1,250.09 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+5.000%	(£256,240,101)	(£216,674,955)	(£180,125,300)	(£146,004,842)	(£113,723,721)	(£82,943,706)	(£53,177,209)	(£25,156,017)	£1,524,715	£26,834,346	£51,257,222	£74,745,605	£98,010,586	£120,762,365	£143,292,409
1,262.11 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+6.000%	(£270,151,449)	(£229,831,581)	(£192,365,924)	(£157,541,710)	(£124,749,600)	(£93,425,239)	(£63,304,098)	(£34,835,447)	(£7,518,289)	£18,002,874	£42,798,007	£66,547,369	£89,893,628	£112,800,120	£135,417,034
1,274.13 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)
+7.000%	(£284,062,797)	(£243,129,257)	(£204,781,241)	(£169,256,099)	(£135,819,366)	(£104,013,028)	(£73,612,733)	(£44,523,234)	(£16,805,405)	£9,157,741	£34,272,100	£58,335,349	£81,710,889	£104,817,732	£127,495,063
1,286.15 /m²	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)	(£112,700,000)

Sensitivity Analysis : Assumptions for Calculation

Sales: Rate /m²
Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²
Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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